

**TERMS OF SETTLEMENT FOR RESOLUTION OF ACTION FILED AS CLASS
ACTION AND REPRESENTATIVE ACTION, AND REQUEST FOR COURT
APPROVAL**

A. Introductory Recitals; Identification of the Parties

1. On June 29, 2020 and July 14, 2020, TERESA AINSWORTH (“Plaintiff”) and her attorneys sent notices to the California Labor & Workforce Development Agency (“LWDA”) asserting various California wage penalty claims against SEA COAST HOSPICE CARE, INC., a California Corporation (the “Company”) and SAMSON GAVRANIAN (Gavranian”). On October 30, 2020, Plaintiff filed a putative wage-and-hour class action and Private Attorneys General Act of 2004, Labor Code § 2698, et seq. (“PAGA”) representative action lawsuit against the Company and Gavranian (collectively, “Defendants”), and DOES 1 through 10, inclusive (the “Complaint” or “Putative Class/Representative Action”). Defendants filed an Answer to Plaintiff’s Complaint on January 19, 2021, generally and specifically denying the allegations contained therein, and denying that they have, in whole or in part, any liability to Plaintiff; denying that a class is appropriate; denying that a representative action is appropriate; and denying that they have, in whole or in part, any liability to any other persons in the alleged putative class or representative group. The Putative Class/Representative Action is pending in the Superior Court of the State of California, County of San Diego, Case No. 37-2020-00039584-CU-OE-CTL (the “Court”).

2. After service of the Putative Class/Representative Action, Plaintiff and Defendants (each individually referred to as a “Party,” or collectively, the “Parties”) engaged in pre-mediation communication. Defendants also engaged an expert to conduct a thorough payroll analysis utilizing the Company’s ADP payroll data. In preparation for mediation, the Parties executed a Mediation and Settlement Confidentiality Agreement, and Defendants provided to Plaintiff significant amounts of mediation data, which included the results of the expert payroll analysis and data relating to various wage-and-hour issues in Plaintiff’s Complaint. The Parties then attended a full day of mediation on May 18, 2021, with Kristin Rizzo, Esq., of West Coast Resolution Group. Following mediation, on May 21, 2021, the Parties agreed in principle to a settlement, as detailed below, to resolve the Putative Class/Representative Action on these certain terms and conditions to present to the Court for approval and LWDA for review, pursuant to California Rules of Court (“CRC”), Rule 3.769 and Labor Code § 2698, et seq., in order to settle the Putative Class/Representative Action and resolve their respective differences, controversies, and misunderstandings.

3. In general, the Parties’ settlement of the Putative Class/Representative Action contemplates that Defendants will pay certain compensation to settle the claims of Plaintiff and

others within the scope of Plaintiff's Complaint and the Putative Class/Representative Action as a "Settlement Class," further defined in Paragraph B.2., below, in exchange for releases of claims and controversies by Plaintiff, the Settlement Class, and the LWDA. This "Terms of Settlement for Resolution of Action Filed as Class Action and Representative Action, and Request for Court Approval" ("Settlement Agreement" or "Agreement") constitutes the terms and conditions upon which the Parties have agreed to settle, and for which they will seek Court approval and provide notice to the LWDA. The Parties acknowledge that each of them denies any wrongdoing whatsoever in connection with one another, and that this Settlement Agreement is made solely for the purpose of compromising disputed claims and avoiding the time, expense, and uncertainty of litigation. It is also expressly understood and agreed that nothing contained in this Settlement Agreement shall constitute or be treated as an admission of wrongdoing or liability on the part of Defendants.

B. The Settlement Class

1. Plaintiff's Putative Class/Representative Action generally includes causes of action to recover damages and civil penalties alleged to be owed to herself, other similarly situated employees, and the State of California, whom Plaintiff contends: (1) were not paid for nonproductive time; (2) were not paid overtime compensation; (3) were not provided or paid for meal periods; (4) were not provided or paid for rest breaks; (5) were not provided properly itemized wage statements; (6) were not paid for all hours worked; (7) were not reimbursed for all business expenses; (8) were not paid wages timely during employment; (9) were not paid all wages due upon termination; and (10) were subject to unlawful competition and unlawful business practices as a result thereof.

2. The Parties agree—for purposes of this Settlement Agreement only—that the "Class Period" for which the claims of the Settlement Class will be settled will be from March 1, 2019 through and including the date on which the last signature of a Party is made to this Agreement, and which includes all claims for PAGA penalties alleged in the Complaint from June 14, 2019 through and including the date on which the last signature of a Party is made to this Agreement. The Parties also specifically intend and agree that—subject to Court approval and the LWDA not objecting to, opposing, or intervening in the settlement—this Settlement Agreement is by and between, and is specifically intended to bind and include, Plaintiff, Defendants, the LWDA, and each member of the "Settlement Class," defined as non-exempt health care workers who worked for the Company during the Class Period—including Registered Nurse Case Managers, Licensed Vocational Nurses, Certified Home Health Aides, Social Workers, and Spiritual Care Workers (the "Settlement Class")—comprised of thirty-one (31) individuals identified by first and last name on Exhibit 1 to this Agreement, including Plaintiff. The Parties further agree that this Settlement Agreement settles and resolves all claims that Plaintiff, LWDA, and the Settlement

Class have or may have against Defendants, which arose within the Class Period, as to all causes of action and requests for relief asserted in the Putative Class/Representative Action, and all claims and requests for relief that could have been asserted in the Putative Class/Representative Action based on the facts alleged in Plaintiff's Complaint.

3. Within ten (10) Business Days (as that term is defined by Civil Code Section 9) following entry of the Court's Order fully granting preliminary approval to this Settlement Agreement, Defendants will provide: (a) to the Court-appointed Settlement Administrator, a complete electronic database of all members of the Settlement Class, to include, for each person: full name (first, middle name or initial, and last); current or last known address; current or last known email address; social security number; dates of employment as an hourly employee and/or as a per diem employee of the Company (or both, as may be appropriate) through the date on which the last signature of a Party is made to this Agreement (altogether, the "Class List"); and (b) to Plaintiff's counsel, Farnaes & Lucio, APC (on the condition of appointment as class counsel), the names and corresponding dates of employment with the Company as an hourly employee and/or as a per diem employee. In the event there are one or more persons who qualify to be a Settlement Class member by virtue of its definition and/or a Court order, but who are not identified by Defendants on the Class List and are not provided a full and fair opportunity to participate in the settlement of the Putative Class/Representative Action as determined by the Court, then such persons are not covered by this Settlement Agreement, are not entitled to participate in the settlement process, and are equally not bound by the releases of liability afforded Defendants hereunder. Should the Court-appointed Settlement Administrator require further assistance from Defendants with regard to the Settlement Class's Class List data, to the extent needed to support the court approval processes, Defendants agree to cooperate with any such reasonable requests; Defendants have no other obligations related to settlement administration. The Court-appointed Settlement Administrator will use such Class List information during the Court-directed notice and settlement stages, subject to the entry of any and all orders issued by the Court, and for no other purposes whatsoever; in all other respects, the information on the Class List will remain confidential. Farnaes & Lucio, APC (on the condition of appointment as class counsel) will keep such information strictly confidential and use such Class List information during the Court-directed notice and settlement stages, subject to the entry of any and all orders issued by the Court, and for no other purposes whatsoever; in all other respects, the information on the Class List will remain confidential. Further, if final approval is not entered, or if approval is reversed on appeal, Farnaes & Lucio, APC must immediately destroy all copies of the Class List and not use any information obtained from the Class List for any purpose whatsoever.

4. The Parties stipulate to certification of the Settlement Class and exchange of the Class List data as described above only for the purposes of proposing this Settlement Agreement to the Court and notifying the LWDA, and to attain approval of the Settlement Agreement by the

Court. Should this Settlement Agreement not become effective for any reason, should Court approval not be granted (or reversed after appeal), should the LWDA object, oppose, or intervene, or should the Settlement Agreement be voided for any reason, then the fact that the Parties stipulated to certification of a Settlement Class in this Settlement Agreement shall have no bearing on, and not be admissible on, the question of whether a class should be certified in the Putative Class/Representative Action in any context nor whether the action should continue as a representative action. Further, in any such events the Class List data will not be used by Plaintiff, Plaintiff's counsel, or the Court-appointed Settlement Administrator for any other purposes whatsoever.

5. Plaintiff's counsel of record in the Class Action—*Farnaes & Lucio, APC*—may apply to be appointed as “Class Counsel” for the Settlement Class as part of the Court approval process. Defendants shall not object to, nor oppose such a request.

C. Payment Terms

1. In full and complete settlement of the Putative Class/Representative Action, and in exchange for the releases set forth below, Defendants will pay a total of Two Hundred Thousand Dollars (\$200,000.00) as a “Settlement Amount,” without refund or reversion. As described below, the Settlement Amount shall be inclusive and in satisfaction of all requests for relief and payments to Plaintiff and the Settlement Class arising from and related to the Putative Class/Representative Action and settlement, including, but not limited to: wages, damages, and all other requests for relief and claims for payment under the causes of action alleged in Plaintiff's Complaint; all attorney's fees; all costs and expenses of litigation incurred by Plaintiff and Plaintiff's counsel in this Putative Class/Representative Action; all of the costs and expenses associated with this Settlement Agreement and settlement administration; the employer's share of all state and federal payroll taxes and withholdings assessed on all amounts distributed to the Settlement Class as W-2 wages; a service payment awarded to the Plaintiff (if any); penalties, liquidated damages, and PAGA civil penalties; interest; and any and all other claims for relief alleged in the Complaint that are or may be alleged to be owed to Plaintiff and/or the Settlement Class, the LWDA, and their representatives or agents. Other than Defendants' obligation to pay the Settlement Amount, Defendants have no other obligation to provide any measure of relief or payment, in cash, in kind, or otherwise, to Plaintiff or the Settlement Class or the LWDA as a result of this Settlement Agreement.

2. The Settlement Amount will be paid by Defendants in eighteen (18) installments as follows:

2.A. On or before the fifth (5th) Business Day following execution of this Settlement Agreement, or when the Qualified Settlement Fund (QSF) is opened by the proposed Court-appointed Settlement Administrator, whichever is later, the Company will pay Nine Thousand Dollars (\$9,000.00);

2.B. Thereafter, the Company will pay Nine Thousand Dollars (\$9,000.00) per month for sixteen months, beginning on the last calendar day of the next month after the payment described in Paragraph 2.A., above, is made, until a total amount of One Hundred Fifty-Three Thousand Dollars (\$153,000.00) has been paid (inclusive of the payment set forth in 2.A., above); and

2.C. On or before the last calendar day of the seventeenth (17th) month following the payment described in Paragraph 2.A., above, the Company will pay Forty-Seven Thousand Dollars (\$47,000.00) in final satisfaction of the \$200,000.00 Settlement Amount.

3. Each of the installment payments above will be made via wire, check, or ACH payment by the Company to a QSF established, designated and maintained by the Court-appointed Settlement Administrator. Each payment must be received by 4:00 p.m. Pacific Time on or before each due date. If a payment due date falls on a Saturday, Sunday or Court Holiday, it shall be due on the next day that is not a Saturday, Sunday or Court Holiday. If final approval of this Settlement Agreement is not granted, then all funds paid by the Company will be immediately and fully refunded to the Company by the Settlement Administrator, subject only to Paragraph D.12., below.

4. Payment of the Settlement Amount in the installments set forth in Paragraph C.2.A. through C.2.C., above, shall completely satisfy all of Defendants' payment obligations under this Settlement Agreement. Further, there will be no pre-payment penalty assessed if Defendants pay any portion, or all of, the scheduled Settlement Amount installment payments before they are due.

D. Court Approval and Settlement Administration

1. This Settlement Agreement is conditional upon preliminary and final approval by the Court as outlined below, and that the LWDA does not object to, oppose, or intervene in the settlement. Plaintiff and her counsel will timely seek preliminary approval and final approval of this Settlement Agreement with the Court. As required by California Labor Code Section 2699(l)(2), Plaintiff and her counsel will also submit a copy of this Agreement to the LWDA at the time it is filed with the Court, and provide Defendants with a Proof of Service. As required by California Labor Code Section 2699(l)(3), within 10 days after the Court's order and/or judgment

approving the payment of civil penalties, Plaintiff's counsel will serve such order and judgment to the LWDA, and provide Defendants with a Proof of Service. Defendants will not object to nor oppose efforts to obtain the Court's preliminary and final approval, so long as Plaintiff's and her counsel's efforts are consistent with the terms and conditions stated herein.

2. Plaintiff's and Defendants' counsel are experienced class action and wage-and-hour practitioners. In their combined litigation and settlement of scores of class action cases over the past twenty years, counsel have utilized the services of many class action settlement administrators, including but not limited to: Gilardi & Co.; Rosenthal & Co.; Kurtzman Carson Consultants, LLC; Rust Consulting, Inc.; Simpluris, Inc.; CPT Group, Inc.; ILYM Group; AB Data, Ltd.; among others. Based on counsels' experience with such companies, and multiple administration proposals for their respective cases, the Parties jointly agree to propose to the Court, AB Data, Ltd. as the Court-appointed Settlement Administrator for this Settlement. A proposal from AB Data, Ltd. is attached as Exhibit 2.

3. The Parties jointly agree to propose to the Court the "Notice of Pendency and Settlement of Class Action and Representative Action" ("Settlement Notice") attached as Exhibit 3, for the Court-appointed Settlement Administrator to send to the Settlement Class.

4. Plaintiff and her counsel shall file a motion for preliminary approval of settlement and timely notify the LWDA. Their moving papers shall include provisions, among other items, requesting: preliminary approval that this Settlement Agreement is sufficiently fair, reasonable and adequate to allow the Settlement Notice to be disseminated to the Settlement Class; approval of the form, content, and manner of the Settlement Notice; the setting of a schedule for proceedings with respect to final approval of this Settlement Agreement; and staying the Putative Class/Representative Action, other than such proceedings as are related to this Settlement Agreement. Plaintiff and her counsel shall also request a final approval hearing date from the Court that follows Defendants' final installment payment prescribed in Paragraph C.2.C., above. Additionally, in the Court approval process, Plaintiff and her counsel will request the Court approve of allocation of the Settlement Amount as part of the approval process as follows:

4.A. Distribution of funds to Settlement Class members and Class Counsel to occur per Court Order after this Settlement Agreement becomes effective as provided in Paragraph F.2., below.

4.B. Payments to Settlement Class members under an appropriate division of monies distributed as W-2 wages and 1099 income, jointly proposed by the Parties, as follows: (i) The "Net Settlement Amount" is the amount available for distribution to Settlement Class members who do not timely and properly opt out and/or request exclusion

from the Settlement after deduction of any award of attorneys' fees and litigation costs approved by the Court to Class Counsel (as addressed below), a service payment that may be awarded by the Court to Plaintiff (as addressed below), the portion of the PAGA Penalty Allocation to be paid to the LWDA as directed by the Court (as addressed below), and Court-appointed Settlement Administrator costs as approved by the Court; (ii) Settlement Shares: each Settlement Class member's individual claim share will be established by dividing his/her total weeks worked during the Class Period by the aggregate of all weeks worked by Settlement Class members during the Class Period, and then multiplying that fraction by the Net Settlement Amount; (iii) Allocation Formula: Payments to the Settlement Class members will be allocated as follows: 30% of each person's Settlement Share will be paid as W-2 wages (inclusive of the employer's share of payroll taxes on gross amounts paid) and 70% of each person's Settlement Share will be paid as 1099 interest and penalty income. Payroll taxes will be withheld on any wage portions paid to Settlement Class members by the Court-appointed Settlement Administrator. The amount allocated as 1099 penalties and interest income paid to each Settlement Class member shall be paid without deduction or offset to reflect payment of alleged interest, penalties, and other non-wage amounts, although Defendants may issue an IRS Form 1099-Misc and/or IRS Form 1099-Int to reflect these payments for penalties and interest made by the Court-appointed Settlement Administrator.

4.C. A service payment to Plaintiff of no more than Five Thousand Dollars (\$5,000.00), in addition to her respective Settlement Share available as a member of the Settlement Class, for her representation of the Settlement Class. Plaintiff shall receive a 1099 statement from the Court-appointed Settlement Administrator for any such payment awarded by the Court, and she shall be responsible for properly declaring such income to the appropriate taxing authorities, and for paying any taxes due on such amount.

4.D. Allocation of PAGA Penalties. Five Thousand (\$5,000.00) of the Settlement Amount shall be allocated to the settlement of Plaintiff's PAGA claims as stated in Plaintiff's Complaint ("PAGA Penalty Allocation"). Of that amount, payment to the LWDA in satisfaction of all PAGA civil penalties asserted in Plaintiff's Complaint shall be made in the amount of Three Thousand Seven Hundred Fifty (\$3,750.00), which is seventy-five percent (75%) of the PAGA Penalty Allocation; and One Thousand Two Hundred Fifty (\$1,250.00), which is twenty-five percent (25%) of the PAGA Penalty Allocation, shall be paid to the Settlement Class members in accordance with Paragraph 4. B., above.

4.E. Attorneys' fees to Class Counsel in an amount that is not to exceed one-third (1/3) of the Settlement Amount (or Sixty-Six Thousand Six Hundred and Sixty-Six Dollars and Sixty-Seven Cents (\$66,666.67)).

4.F. Reimbursement of reasonable litigation costs actually incurred by Plaintiff's counsel related to the Putative Class/Representative Action in an amount that is not to exceed Seven Thousand Five Hundred Dollars (\$7,500), and as approved by the Court.

4.G. Costs of administration actually incurred by the Court-appointed Settlement Administrator. As shown on Exhibit 2, the Settlement Administrator estimates costs to be approximately Seven Thousand Dollars (\$7,000).

5. Although an award of a service payment to Plaintiff, and recovery of attorneys' fees and costs by Plaintiff's counsel may be requested as provided above, the allowance or disallowance by the Court of any such awards are not conditional to this Settlement Agreement and will be considered by the Court separately from its consideration of the fairness, reasonableness, adequacy and good faith of this settlement to the Settlement Class. Should the Court award less to Plaintiff and/or her counsel than requested, it shall not operate to terminate or cancel this Settlement Agreement, and the difference between those amounts requested and the amounts ultimately awarded (if less) will be allocated to the Net Settlement Amount to be distributed to Settlement Class members on a pro rata basis as provided in the plan of distribution. In granting approval of the settlement, should the Court alter or modify any portion of the Plaintiff's and/or Plaintiff's counsel's proposal for allocation of the Settlement Amount, it shall in no way affect, modify, change, or alter Defendants' obligation for making the installment payments, or the total amount to be paid by Defendants.

6. Settlement administration will be conducted by the administrator appointed by the Court, under Court supervision. The Court-appointed Settlement Administrator will be solely responsible for settlement and claims administration duties directed by the Court; such duties shall include, but are not limited to those described below, and unless otherwise ordered include: locating Settlement Class members for the purpose of providing notice; preparing, printing and disseminating to Settlement Class members the Court-approved Settlement Notice over a sixty-day period; tracking and furnishing to counsel for the Parties, copies of any requests for exclusion and/or objections; providing counsel for the Parties with all other written or electronic communications from Settlement Class members; distributing money from its settlement fund in accordance with Court orders; performing all tax withholding and reporting duties required by federal, state and/or local law, including the filing of all necessary tax returns and related forms (e.g. 1099s, W-2s, etc.); apprising counsel for the Parties of its activities; maintaining adequate records of its activities, including the dates of each mailing of Settlement Notice items, returned

mail, and other communications and attempted written or electronic communications with Settlement Class members; preparing a written report of its activities for final approval by the Court, summarizing the number of requests for exclusion and disputes filed, among other details; and such other tasks as the Parties mutually agree or the Court may order. Other than as described herein regarding identification of the Settlement Class and providing Class List data, Defendants have no duties or responsibilities with regard to settlement or claims administration, but will be, through Defendants' counsel, kept apprised of all stages of administration.

6.A. As soon as practicable after receiving the Class List from Defendants described above, the Court-appointed Settlement Administrator shall send, via first class mail and email to all Settlement Class members, the Court-approved Settlement Notice. Prior to the initial mailing, the Court-appointed Settlement Administrator will check the mailing addresses provided by Defendants through the National Change of Address System.

6.B. If any mailed Settlement Notices are returned as undeliverable with a forwarding address provided by the United States Postal Service, the Court-appointed Settlement Administrator will promptly resend such Settlement Notices to that forwarding address. If mailed Settlement Notices are returned as undeliverable without a forwarding address, then the Settlement Administrator will make reasonable efforts to determine a correct address and/or locate a forwarding address using a single skip-trace, and if it obtains a more recent address, will re-mail such Settlement Notices.

6.C. Following completion of the notice period the Court-appointed Settlement Administrator will provide counsel for all Parties with a declaration of due diligence and proof of mailing with regard to all of its mailing efforts, and receipt of all exclusion requests, objections, or other comments regarding the settlement.

7. Any Settlement Class member who, in compliance with the Settlement Notice and Court order, timely and properly elects to opt out or seek exclusion from the Settlement will not be entitled to any payment from the Settlement Amount, and will not be bound by the Settlement or have any right to object, appeal or comment thereon. Settlement Class members who fail to timely and properly opt out or seek exclusion will be bound by all terms of the Settlement Agreement and any judgment entered thereon, if the settlement is approved by the Court.

8. At their sole option, Defendants may, but are not required to, void this Settlement Agreement if five (5) or more Settlement Class members timely and properly opt out and/or request exclusion from the Settlement. The date by which Defendants must exercise the option to void this Settlement Agreement expires on the fourteenth (14th) Calendar Day following the date

on which they receive notice from the Court or Court-appointed Settlement Administrator that five or more of the Settlement Class members have triggered this void option provision. In order to void this Settlement Agreement, Defendants must advise Plaintiff's counsel in writing and file a statement of intent to void the Settlement Agreement in a pleading to the Court within the 14-day period. In the event Defendants exercise the option to void the Settlement Agreement, Defendants shall be responsible for costs of administration actually incurred by the Settlement Administrator.

9. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class members to either seek exclusion from or object to the Settlement, or to appeal from the Court's judgment.

10. To the extent a Settlement Class member disputes his/her distribution amount as calculated by the Parties' distribution proposal and as stated on their Settlement Notice, they may submit evidence supporting the dispute to the Court-appointed Settlement Administrator. Defendants' records will be presumed determinative, but the Parties will meet and confer to evaluate any reasonable evidence submitted by a Settlement Class member, and if the Parties and the Settlement Class member cannot agree, the dispute will be submitted to the Court whose decision will be final and binding.

11. It is understood and agreed that this is a "no reversion" settlement; that is, Defendants will pay the Settlement Amount without further condition and without reimbursement of any amounts to Defendants, other than in the event this Settlement Agreement is voided, not approved by the Court, or approval is reversed on appeal, and/or as provided in Paragraph D.12., below. All interest which accrues on payments made by Defendants while money is held in the Settlement Administrator's settlement fund will remain part of the settlement, without refund to Defendants (except as provided in Paragraph D.12., below), and without any credit towards the obligation Defendants have to fund the Settlement Amount.

12. In the event that any Settlement Class member does not cash their Court-approved and issued settlement proceeds within one hundred twenty (120) calendar days of issuance, such funds will be submitted for escheatment by the Court-approved Settlement Administrator to the State of California Unclaimed Property Fund (or similar agency) in the names of each Settlement Class member whose check is un-cashed. It is specifically understood and agreed that any such monies will not revert to Defendants, nor be paid to Plaintiff or her counsel.

13. In the event the Parties' settlement is voided under Paragraph D.8., above, or if final approval of the settlement is otherwise not granted or is reversed on appeal, then the entirety of

the Settlement Amount paid by Defendants will be returned to Defendants, except for any actual costs of administration incurred, as follows: after preliminary approval, and pending final approval, the Court-appointed Settlement Administrator is authorized to expend up to Five Thousand Dollars (\$5,000.00) in actual costs related solely to the administration of the settlement ("Initial Administrative Costs"), from the installment payments made by Defendants. Should final approval not be granted or reversed on appeal, all amounts (other than those Initial Administrative Costs expended up to the date on which final approval is sought), shall promptly be refunded to Defendants in full, plus any interest which has accrued in the settlement fund. If this Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement specifically stated to survive the Settlement Agreement being voided or not approved, and which control in such an event.

14. The Parties agree that the Superior Court of the State of California, County of San Diego, and the Judge who approves this Settlement Agreement (or any other Judge as may in the future be assigned the case) shall retain jurisdiction over the Putative Class/Representative Action and this Settlement Agreement in order to enforce its terms and conditions, and to resolve any dispute regarding this Settlement Agreement, or any issues that may arise with respect to settlement administration. At the time the Court enters an order of final approval of this Settlement Agreement, Plaintiff's counsel will request the Court (a) "make and enter Judgment" only as against the Company in accordance with CRC, Rule 3.769(h), and, provided the Settlement Amount has been paid in full, (b) simultaneously dismiss Gavranian WITH PREJUDICE of any and all claims, causes of action, complaints and obligations which are alleged in Plaintiff's Complaint against Gavranian, individually, all of which is to be affected immediately upon the Court's final approval of this Settlement Agreement releasing the claims of all Settlement Class members who did not timely and properly opt out and/or request exclusion from the Settlement. Plaintiff and her counsel will then file a Notice and Acknowledgement of Satisfaction of Judgment form with the Court within five (5) Business Days of the Court's entry of Judgment against the Company. To the extent otherwise provided by law, and subject to Court approval following final approval of the settlement and any exhaustion of appeals, this Settlement Agreement is intended to be enforceable pursuant to Code of Civil Procedure Section 664.6.

E. Releases of Settled Claims

1. This Settlement Agreement is intended to fully and finally settle and resolve claims by Plaintiff, the Settlement Class, and the LWDA as against the Defendants, encompassing the claims and causes of action asserted in Plaintiff's Putative Class/Representative Action within the Class Period, or that could have been asserted in based on the facts and claims alleged in Plaintiff's

Putative Class/Representative Action within the Class Period including but not limited to all claims pursuant to California Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 221-224, 226, 226.2, 226.3, 226.7, 227.3, 510, 512, 1192, 1194, 1194.2, 1197, 1198, 1198.5, 1197.1, 2802, 2698 et seq. (PAGA); the California IWC Wage Orders; and the California Business and Professions Code Section 17200 based on alleged violations of the foregoing statutes and Wage Orders, regardless of theory of recovery (collectively, the “Class Claims”). Specifically, the released Class Claims means and includes: any and all liabilities, demands, claims, causes of action, complaints and obligations which are alleged in Plaintiff’s Complaint, which arose during the Class Period, as well as any and all derivative liabilities, demands, claims, causes of action, complaints and obligations which arose during the Class Period that could have been alleged in the Putative Class/Representative Action based on the facts and claims alleged therein, whether any of these claims are known or unknown, suspected or unanticipated, and which any of the Settlement Class members and LWDA has, or had, during the Class Period against Defendants. By way of example, the Class Claims includes all claims for unpaid minimum wages; overtime wages, including but not limited to alleged miscalculation of overtime wages; pay for all hours worked, including but not limited to alleged nonproductive time and/or off-the-clock work including but not limited to travel time and documentation time; lawfulness of the per visit/piece rate pay plan; rest periods; meal periods; timeliness of wages; payment of wages at termination; itemized wage statements; unfair competition related to any or all of the foregoing; any unpaid wages or compensation related to any or all of the foregoing; any premium payments related to any or all the foregoing; restitution for any of the foregoing; attorneys’ fees or costs related to any or all of the foregoing; and/or any other damages or amounts related to any or all of the foregoing.

2. Releases by the LWDA and the Settlement Class. Upon the date the Settlement Agreement is finally approved by the Court and becomes effective as provided in Paragraph F.2., below, in and for the valuable consideration as provided in this Settlement Agreement, and based on the foregoing, the LWDA and all Settlement Class members—except those whom the Court specifically approves of their requests for exclusions/opt outs at the time of final approval—agree for themselves, and their spouses, heirs, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, successors-in-interest, principals, agents, representatives, employees, attorneys, successors and assigns, and other persons or entities acting on their behalf, that they forever discharge, waive, and release Defendants, their past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, partners, joint venturers, affiliated organizations, insurers, past, present and future officers, directors, trustees, agents, employees, attorneys, contractors, representatives, partners, joint venturers, benefit plans, divisions, units, branches and other persons or entities acting on Defendants’ behalf, from any and all of the Class Claims. Nothing in this Settlement Agreement shall affect any unemployment insurance or workers’ compensation insurance claims, or other claims or rights of any Settlement Class member not arising from the Class Claims within the

Class Period. It is understood and agreed between the Parties that the above waiver and release of claims is a material term of, and inducement for Defendants to enter into this Agreement.

3. Releases by Plaintiff. Upon the date this Settlement Agreement is finally approved by the Court and becomes effective as provided in Paragraph F.2., below, Plaintiff hereby grants Defendants full and complete releases of all Class Claims, as well as any and all other claims she has or may have against Defendants up to the date of final approval of settlement (“Plaintiff’s Released Claims”). For purposes of this paragraph, Plaintiff includes herself, her spouse, heirs, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, successors-in-interest, principals, agents, representatives, employees, attorneys, successors and assigns, and other persons or entities acting on their behalf (collectively, “Plaintiff’s Affiliates”); and Defendants includes Defendants, and their past, present, and future spouse, heirs, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, parents, affiliates, subsidiaries, divisions, predecessors, successors, partners, joint venturers, affiliated organizations, insurers, past, present and future officers, directors, trustees, agents, employees, attorneys, contractors, representatives, partners, joint venturers, benefit plans, divisions, units, branches and other persons or entities acting on Defendants’ behalf (collectively, “Defendants’ Releasees”). Plaintiff, on behalf of herself and Plaintiff’s Affiliates, releases and forever discharges Defendants’ Releasees (and any other persons and entities acting by, through, under or in concert with any of them) of and from any and all Plaintiff’s Released Claims, which includes but are not limited to rights, claims, actions, demands, promises, causes of action, obligations, attorneys’ fees, costs, damages, and liabilities of whatever kind or nature, in law or in equity, that Plaintiff and/or any of Plaintiff’s Affiliates had, now has, may have had, or has ever had whether known or not known against any of the Defendants’ Releasees, including but not limited to claims based on and/or arising under:

3.A.1. Claims or rights arising out of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith and fair dealing (express or implied); any tort, including any claim for improper or unauthorized wage deductions, unpaid wages, unpaid business expenses, penalties, liquidated damages, other damages, overtime and alleged “off the clock” work under federal and state law, including the California Labor Code, California Code of Regulations, and the Fair Labor Standards Act (FLSA); mis-classification of employment; meal and rest periods; itemized wage statement issues; unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200, et seq.; interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6; statutory or common law rights to interest, attorney fees’ and costs, including those pursuant to FLSA Section 216(b) and California Labor Code Sections 1194, et seq.; claims under the Private Attorneys General Act of 2004, Labor Code Sections 2699, et seq.; and

the alleged violation or breach of any other state or federal statute, rule and or regulation, including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs or attorneys' fees in connection with any of the foregoing; and

3.A.2. Negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any "wrongful discharge," "constructive discharge," and "retaliation" claims; any claims relating to any breach of public policy; any legal restrictions on Company's right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment, including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. Section 1981 (discrimination); (3) Age Discrimination in Employment Act, 29 U.S.C. Sections 621-634 (age discrimination, "ADEA Claims"); (4) Equal Pay Act, 29 U.S.C. Section 209(d)(1) (equal pay); (5) Americans with Disabilities Act, 42 U.S.C. Sections 12100, et seq. (disability discrimination); (6) Family and Medical Leave Act, 29 U.S.C. Sections 2601, et seq. (family/medical leave); (7) California Fair Employment and Housing Act, Cal. Government Code Sections 12900, et seq. (discrimination or harassment in employment and/or housing, including discrimination or harassment based on race, religious creed, color, national origin, ancestry, disability, marital status, sex (including pregnancy), or age, including retaliation for reporting discrimination or harassment); (8) California Family Rights Act, Cal. Government Code Sections 12945.1, et seq. (family/medical leave); (9) California Labor Code or any Industrial Welfare Commission Wage Order; (10) Executive Order 11246 (race, color, religion, sex, and national origin discrimination or harassment); (11) Executive Order 11141 (age discrimination); (12) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap discrimination); and (13) Employee Retirement Income Security Act, 29 U.S.C. Sections 1000, et seq. (employee benefits), and all other Plaintiff's Released Claims arising under common law including but not limited to tort, express and/or implied contract and/or quasi-contract, arising out of, or in any way related to, Plaintiff's relationship with Defendants, employment with the Company, and/or separation or retirement from employment with the Company, other than those claims which public policy prohibits from being released herein.

4. Except as provided elsewhere in this Settlement Agreement as to rights and remedies caused by a breach of this Settlement Agreement, it is understood and agreed this Settlement Agreement, if finally approved by the Court, not voided by Defendants, reversed on appeal, and not opposed, objected to, or intervened by the LWDA: (a) shall act as a full and final accord and satisfaction, and as a bar to all Class Claims by the LWDA, regardless of whether such claims are now known; and (b) shall act as a full and final accord and satisfaction, and as a bar to

all claims by Plaintiff, including Class Claims and Plaintiff's Released Claims, against Defendants and Defendants' Releasees, regardless of whether such claims are now known. The Parties expressly state that California Labor Code Section 206.5 does not preclude Plaintiff's and the Settlement Class members' waivers of claims in this Settlement Agreement (which section provides in pertinent part as follows: "No employer shall require the execution of any release of any claim or right on account of wages due or to become due, or made as an advance on wages to be earned, unless payment of such wages has been made."). The Parties further acknowledge they understand and agree to waive the provisions with Section 1542 of the California Civil Code, which provides as follows:

CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE.

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

If finally approved, Plaintiff and the Settlement Class and the LWDA expressly waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of, Section 1542 of the California Civil Code, as well as under any other similar state or federal statute, to the fullest extent they may lawfully waive such rights or benefits pertaining to the released claims in this Paragraph E. Such waivers inure as against any and all claims released by Plaintiff, the LWDA, and the Settlement Class members in this Settlement Agreement.

F. Other Terms of Settlement

1. The purpose of this Settlement Agreement is to accomplish the compromise and settlement of disputed and contested claims and to avoid the cost of litigation. Nothing in this Settlement Agreement shall be construed as an admission of any violation of any federal or California statute or wage regulation or of any other non-compliance with or violation of law, statute or regulation by any Party. In particular, but without limiting the generality of the foregoing, nothing about this Settlement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever by Defendants, who expressly deny any liability, wrongdoing, impropriety, responsibility, or fault whatsoever. In addition, and also without limiting the generality of the foregoing, nothing about this Settlement shall be offered or construed as an admission or evidence of the propriety or feasibility of certifying a class in the

Putative Class/Representative Action, or any other action for adversarial, rather than settlement, purposes.

2. This Settlement shall be effective upon the latest of the following: (i) if there are no objections to this Settlement Agreement raised by the time the Court enters an order granting final approval, and no objections, opposition, or intervention by the LWDA, then ten (10) calendar days after entry of the Court's final judgment approving Settlement; or (ii) if there are any objections, opposition, or intervention sought related to this Settlement Agreement raised by the time the Court enters an order granting final approval, but any and all are overruled/denied in whole or in part and no appeal is filed, then the date of expiration of the time permitted by law for an appeal to be filed based on any such objections if notice is served on all objectors/intervenors, or one hundred eighty (180) calendar days after entry of the Court's final judgment approving class settlement if no notice is served, whichever is later; or (iii) if there are any objections, oppositions, or interventions sought related to this Settlement Agreement raised by the time the Court enters an order granting final approval, but any and all such are overruled in whole or in part and an appeal is filed, then the date of final affirmance of the final judgment on an appeal, the date of dismissal of such appeal, or the expiration of the time for a petition for review of such appeal by the California Supreme Court of the final judgment and, if review is granted, the date of final affirmance of that final judgment following review pursuant to that grant.

3. The Parties agree not to make or issue any statements that would tend to disparage the other related to the Putative Class/Representative Action or the Settlement thereof. If a final Judgment is entered, Plaintiff's counsel will not issue any press releases publicizing the Settlement, and will not identify Defendants in any marketing material or on their websites. Plaintiff's counsel may report the name of the Plaintiff in the case and general terms of the settlement on their websites or in marketing material—without any mention of the Defendants—but otherwise agree not to publish details with any media outlet; the only exception is that Plaintiff's counsel is permitted to post to its website the status of the preliminary and final approval of the Putative Class/Representative Action and any other information about the settlement which the Court deems necessary. If contacted by any media outlet either before preliminary approval or after a final Judgment is entered, Plaintiff's counsel will only refer the media outlet to the appropriate court files or records.

4. In the event a prospective employer contacts Defendants regarding the employment history of Plaintiff, Defendants shall respond truthfully to such inquiries, verifying dates of employment, job title, and rates of pay in accordance with regular Company policy, and will provide no other information.

5. The Parties agree, on behalf of each of them and their respective principals, agents, representatives, employees, attorneys, successors and assigns that they will abide by this Settlement Agreement, which terms are meant to be contractual, and further agree they will do such acts and prepare, execute and deliver such documents as may be required in order to carry out the purposes and intent of this Settlement Agreement.

6. The purpose of this Settlement Agreement is to accomplish the compromise and settlement of disputed and contested claims and to avoid the cost of litigation. Nothing in this Settlement Agreement shall be construed as an admission of any violation of any federal or California statute or wage regulation or of any other non-compliance with or violation of law, statute or regulation by any Party.

7. This Settlement Agreement constitutes the complete and entire written settlement and compromise, and release by and among the Parties, and constitutes the complete expression of the terms of the Settlement Agreement for which Court approval will be sought. All previous and/or contemporaneous agreements, representations and negotiations regarding the matters resolved are superseded.

8. Each of the Parties acknowledges no other person, nor any attorney of any other person, has made any promise, representation or warranty whatsoever, express or implied, not contained in this Settlement Agreement, concerning the subject matter hereof, to induce any Party to execute or authorize the execution of this Settlement Agreement, and each Party acknowledges he/she/it has not executed or authorized the execution this Settlement Agreement in reliance upon any such promise, representation or warranty not contained herein.

9. Each individual signing this Settlement Agreement warrants he/she has been given, and has received and accepted, authority to sign and execute the documents on behalf of the Party for whom it is indicated he/she has signed, and further, has been given, and received and accepted, authority to enter into a binding agreement on behalf of such Party, with respect to the matters contained in this Settlement Agreement.

10. The terms of this Settlement Agreement can only be amended or modified in writing, signed by duly authorized representatives of all of the Parties, stating such modification or amendment is intended. Any such modifications and/or amendments are subject to Court approval.

11. If any provision of this Settlement Agreement is found to be illegal or unenforceable, then any such provision shall be deemed stricken and the remaining provisions

shall, nevertheless, remain in full force and effect. In the event of a breach, this Settlement Agreement may be specifically enforced.

12. Waiver of any one breach of any provision of this Settlement Agreement shall not be deemed a waiver of any other breach of any provision of this Settlement Agreement.

13. Each of the Parties and their counsel have reviewed and revised this Settlement Agreement, and the normal rule of construction to the effect that any ambiguities in an agreement are to be resolved against the drafting party shall not be employed in the interpretation of this Settlement Agreement. Each of the Parties represents and warrants the attorney approving this Settlement Agreement as to form on his/her/its behalf is the attorney employed by him/her/it to represent him/her/it with respect to this Settlement Agreement, and all matters related to them, and he/she/it has been fully advised by said attorneys with respect to his/her/its rights and obligations as to the execution of this Settlement Agreement. The Parties declare they know and understand the contents of this Settlement Agreement, and they have executed the same voluntarily.

14. Each of the Parties shall be responsible for his or her or its own attorney's fees, costs and other legal expenses incurred in connection with the Putative Class/Representative Action and this Settlement Agreement, and all related matters, except as otherwise specifically provided in this Settlement Agreement; in the event any Party defaults in any duty or obligation required by this Settlement Agreement; or in the event any proceeding arises regarding the enforcement or interpretation of this Settlement Agreement, in which such events the prevailing Party(ies) shall be entitled to collect reasonable attorney's fees and costs.

15. All Parties executing this Settlement Agreement agree that any signatures by fax, electronic signatures, and/or copies of signatures shall be deemed valid and binding. This Settlement Agreement may also be executed in counterparts.

16. Time is of the essence in this Settlement Agreement.

17. By their signatures below, Plaintiff's counsel is entering into this Settlement Agreement on behalf of the Plaintiff and, if the Court appoints Plaintiff's counsel as Class Counsel, then such execution is also made on behalf of the individual Settlement Class members as their counsel of record.

18. This Settlement Agreement will survive the entry of the final judgment approving the settlement of this Class Action and releasing the claims of all Class Members.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the dates indicated below:

Dated: 8-31-21 _____

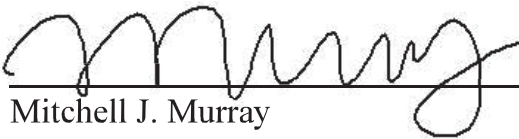
By: *Teresa Ainsworth*
Teresa Ainsworth (Aug 31, 2021 14:39 PDT)
Teresa Ainsworth

Dated: _____

By: _____
Samson Gavranian, on behalf of himself,
individually, and on behalf of Sea Coast
Hospice Care, Inc.

Approved as to Form:

Dated: 08/21/2021 _____

By: 
Mitchell J. Murray
Farnaes & Lucio, APC
Attorneys for Plaintiff

Dated: _____

By: _____
Timothy G. Williams
Berger, Williams & Reynolds, LLP
Attorneys for Defendants

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the dates indicated below:

Dated: _____

By: _____
Teresa Ainsworth

Dated: 09.01.2021

By:  _____
Samson Gavranian, on behalf of himself,
individually, and on behalf of Sea Coast
Hospice Care, Inc.

Approved as to Form:

Dated: _____

By: _____
Mitchell J. Murray
Farnaes & Lucio, APC
Attorneys for Plaintiff

Dated: 9/2/21

By:  _____
Timothy G. Williams
Berger, Williams & Reynolds, LLP
Attorneys for Defendants

TERMS OF SETTLEMENT FOR RESOLUTION OF ACTION FILED AS CLASS ACTION AND
REPRESENTATIVE ACTION, AND REQUEST FOR COURT APPROVAL

Short Title: *Ainsworth v. Sea Coast*

Page 19 of 19

EXHIBIT 1

TERMS OF SETTLEMENT FOR RESOLUTION OF ACTION FILED AS CLASS ACTION
AND REPRESENTATIVE ACTION, AND REQUEST FOR COURT APPROVAL
Short Title: *Ainsworth v. Sea Coast*

1. Aguirre, Adrienne
2. Brink, Camie
3. Ainsworth, Teresa
4. Aldridge, Mary
5. Arauza, Lourdes
6. Campos, Michelle
7. Chavez, Sharon
8. Crimmel, Thomas
9. Curiel, Veronica
10. Daigle, Debra
11. Ganancial, Joemarie
12. Gelle, Cherrie A
13. Gomez, Kay
14. Guevara Aguilar, Hayde
15. Jimmi, Nichole
16. Jones, Clifford
17. LeDuff, Julie Ann
18. Longstreath, Amy Celyne B
19. Nylund, Melinda
20. Pierce, Sylvia
21. Ramirez, Sergio
22. Rapayrapay, Anthony
23. Reed, Sonya
24. Samonte, Rosanne
25. Scadden, Kory
26. Sheard, Sarah
27. Tappin, David
28. Tillman, Sandra
29. Tolentino, Ginger Faye
30. Tolentino, Mark Lyndel
31. Vista, Sheila Marie

EXHIBIT 2

TERMS OF SETTLEMENT FOR RESOLUTION OF ACTION FILED AS CLASS ACTION
AND REPRESENTATIVE ACTION, AND REQUEST FOR COURT APPROVAL
Short Title: *Ainsworth v. Sea Coast*



Class
Action
Administration

CONFIDENTIAL
VIA EMAIL

August 10, 2021

TO: Timothy G. Williams
Berger, Williams & Reynolds, LLP
williams@bwrlp.com

RE: SEA Coast Hospice Care Settlement
Revised Response to Request for Proposal (Ref. #2084)

Dear Tim:

A.B. Data, Ltd. ("A.B. Data") is pleased to provide the appended revised cost estimate for notice and distribution administration for the above-referenced matter. We have prepared this revised cost estimate in accord with your revision request email of this afternoon.

Our cost estimate is based upon assumptions reflecting our best current knowledge of the case and is in effect for six months following the date of this proposal. If this cost estimate is not accepted within six months, this estimate may change.

Please contact me if you have any questions regarding our cost estimate or our services. Thank you for your time and consideration. We look forward to serving you in this case.

Sincerely,

Justin Parks
Vice President
justin.parks@abdata.com
414-312-1491 (direct)

cc: Thomas R. Glenn, President
Eric Schachter, Vice President



A.B. Data, Ltd.
Class Action Administration Company
600 A.B. Data Drive
Milwaukee, WI 53217

Date: August 10, 2021
RFP Number: 2084
Case Name: SEA Coast Hospice Care Settlement

Prepared By: Justin Parks
Direct: 414-312-1491
justin.parks@abdata.com

Notice and Fund Administration Estimate

SEA Coast Hospice Care Settlement

Estimated Class Size:		34
Estimated Notices Emailed:	100%	34
Estimated Notices Mailed:	100%	34
Estimated Returned Notices:	25%	9
Estimated Opt-Outs Submitted:		2
Estimated Payments:		32

Professional Fees	Quantity	Rate (\$)	Estimated Cost (\$)
Notification			
Project/Database Setup (<i>one-time fee</i>)	1	450	450
Receipt and Processing of Undeliverable Mail (<i>hourly</i>)	1	75	75
Re-mailing of Notice Packets to Updated Addresses (<i>hourly</i>)	1	75	75
Forms Processing			
Receipt and Preparation of Opt-Outs & Correspondence (<i>hourly</i>)	2	75	150
Fund Distribution			
Distribution Setup	1	500	Waived
Prepare and QC Settlement Award Calculations/Payments (<i>hourly</i>)	2	175	350
Project Management and Reporting			
Project Management (<i>hourly</i>)	18	165	2,970
System Support (<i>hourly</i>)	5	175	875
Quality Assurance (<i>hourly</i>)	2	150	300
Staff (<i>hourly</i>)	25	75	1,875
		Courtesy Discount	(1,700)
		Subtotal Professional Fees	5,420

Project Expenses	Quantity	Rate (\$)	Estimated Cost (\$)
Printing and Mailing			
Printing and Mailing - Notice Packets (<i>Initial & Re-mails</i>)	40	5.50	219
Prepare and Send Notice by Email (<i>one-time fee</i>)	1	175	175
Fund Administration			
Printing and Mailing - Checks & Tax Documents	32	5	160
Check Reissues	5	5	25
QSF Income Tax Reporting (<i>per year</i>)	2	175	350
Individual Income-Tax Reporting (<i>W2 & 1099</i>)	1	250	250
Postage (USPS Presort rates when available)			
Postage - Notices & Check Mailings	77	0.48	37
Miscellaneous Expenses			
NCOA Address Updating	1	250	250
Advanced Address Updates	9	1.50	14
Check-Processing Fee (<i>per check</i>)	37	0.15	6
Other Miscellaneous Expenses including labels, supplies, shipping and handling, bank charges, document storage, and other charges and expenses			50
		Subtotal Project Expenses	\$ 1,535
		Total Estimated Project Cost	\$ 6,955
		Total Project Cost "Not to Exceed"	\$ 7,000

TERMS AND CONDITIONS

All services to be provided to Berger, Williams & Reynolds, LLP (the "Client") by A.B. Data, Ltd. and its affiliates ("A.B. Data") are subject to the following Terms and Conditions:

- SERVICES.** A.B. Data agrees to provide the Client with the administrative services set forth in the Proposal attached hereto (the "Services").
- FEES.** As compensation for the Services to be rendered hereunder, the Client agrees to pay (or make arrangements to pay) A.B. Data all fees detailed in the Proposal. The fees quoted in the Proposal (and any fees quoted in any subsequent proposal(s) for additional services) are estimates, based on information provided to A.B. Data by the Client, and no representation is made by A.B. Data that the fees estimated in the Proposal or any subsequent proposal(s) for additional services, shall equal the actual fees charged by A.B. Data to the Client, which fees (including individual line items) may be greater or less than estimated. In the event additional services are requested on an hourly basis and such additional services are not specifically detailed in the Proposal, A.B. Data will prepare estimates that will be subject to approval by the Client. In the performance of such additional services, the following standard hourly fees shall apply:

Category	Hourly Fee
Senior Executive Management	\$450
Vice Presidents	\$225
Senior Project Management	\$190
Senior Developer	\$180
System Support	\$170
Project Management	\$165
Quality Assurance Analyst	\$150
Staff	\$95
Claims Processing/Live Operator	\$48

- EXPENSES.** The Client agrees to reimburse A.B. Data for all out-of-pocket expenses reasonably incurred by A.B. Data in connection with the performance of the Services rendered hereunder. The out-of-pocket expenses may include, but are not limited to, postage, media production or publication, banking fees, brokerage fees, costs of messenger and delivery service, travel, filing fees, office supplies, meals, staff overtime expenses, and other similar costs and expenses. Unless otherwise agreed to in writing, the fees for print notice and certain expenses such as media publication and postage must be paid immediately upon invoicing and, in certain cases, at least ten (10) days in advance of those expenses being incurred.
- INVOICES.** Except as provided in Section 3, A.B. Data shall present invoices for its fees and expenses on a monthly basis, and the Client agrees to pay or make arrangements to pay each invoice within 30 days of receipt of each such invoice. A.B. Data reserves the right, upon notice to the Client, to withhold services and reports to be provided hereunder if any invoice remains unpaid more than 120 days after the due date, and such failure to provide services and reports in such instances shall not be a default hereunder. Payment not received within ninety (90) days of date billed may result in an additional service charge of 1.5% per month. A.B. Data reserves the right to reasonably increase its prices, charges and rates annually. If any price increases exceed 10%, A.B. Data will give thirty (30) days' notice to the Client.
- DURATION.** With the exception of the data storage responsibilities set forth in Section 13, these Terms and Conditions shall remain in full force and effect until 30 days after the conclusion of the Services outlined in the Proposal. These Terms and Conditions shall be extended for such additional period of time thereafter as the parties may mutually agree upon in writing.
- TERMINATION.** The Services may be terminated by either party upon thirty (30) days written notice to the other party or immediately upon written notice for Cause as defined herein. The term Cause as defined herein means (i) gross negligence or willful misconduct of A.B. Data that causes serious and material harm to the Client; (ii) failure of Client to pay A.B. Data invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where A.B. Data reasonably believes it will not be paid. Termination of Services shall in no event relieve the Client of its obligation to make payments due and payable to A.B. Data for services rendered prior to termination.
- INDEPENDENT CONTRACTOR.** It is understood and agreed that A.B. Data shall perform services hereunder as an independent contractor. Neither A.B. Data nor any of its employees shall be deemed an employee of the Client. Neither A.B. Data nor any of its employees shall be entitled to any benefits provided by the Client to its employees, and the Client will make no deductions from any of the payments due to A.B. Data hereunder for state or federal tax purposes. A.B. Data shall be responsible for any and all taxes and other payments due on payments received herein from the Client.
- WARRANTY.** A.B. Data warrants that the Services outlined in the Proposal will be performed in accordance with standards generally adhered to by others performing similar professional services. It is acknowledged that the Services entail the likelihood of some human and machine errors, omissions, delays, and losses that may give rise to damage; however, A.B. Data shall not be liable on account of such errors, omissions, delays, or losses unless caused by its gross negligence or willful misconduct. If A.B. Data breaches such warranty, the Client's sole remedy is limited to A.B. Data's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of A.B. Data's gross negligent or willful misconduct hereunder.
- LIMITATION OF LIABILITY.** Under no circumstances will A.B. Data be liable to the Client for any special, consequential, or incidental damages incurred by the Client relating to the performance of Services hereunder, regardless of whether the Client's claim is for breach of warranty or contract, tort (including negligence), strict liability, or otherwise. In no event shall A.B. Data's liability to the Client for any claims, losses, costs, fines, penalties, or damages, including court costs and reasonable attorney's fees (collectively "Losses"), whether direct or indirect, arising out of or in connection with or related to these Terms and

Conditions, exceed the total amount billed or billable to the Client for the portion of the particular service(s) that gave rise to the Losses.

- INDEMNIFICATION.** The Client shall indemnify and hold harmless A.B. Data from any and all losses, suits, actions, judgments, fines, costs, liabilities, or claims of any kind or nature that may be incurred by A.B. Data in connection with any action, claim, or proceeding or threatened action, claim, or proceeding, whether or not resulting in any liability (collectively "Indemnified Claims") to which A.B. Data may become subject or which may be incurred or assessed against A.B. Data relating to or arising out of the performance of Services hereunder provided, however, that the Client shall not be liable to A.B. Data in any such case to the extent that any such Indemnified Claim is caused by A.B. Data's breach of these Terms and Conditions or the willful misconduct or gross negligence of A.B. Data in the performance of Services hereunder. This provision shall survive termination of Services.
- CONFIDENTIALITY.** Both A.B. Data and the Client, on behalf of themselves and their respective employees, agents, professionals, and representatives, agree to keep confidential all non-public records, documents, systems, procedures, processes, software and other information received in connection with performance of the Services. All material marked or otherwise identified in writing as confidential or proprietary, as well as certain information identifiable from the circumstances surrounding the disclosure to be confidential or proprietary, shall be held in confidence and shall not be disclosed, provided, disseminated, or otherwise made available to any third party other than for the purpose of fulfilling a party's obligations herein. The Client and A.B. Data agree and acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding or otherwise to comply with a requirement under the law, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or waive compliance with the relevant provisions of these Terms and Conditions. If the Client seeks a protective order or other remedy, A.B. Data, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these Terms and Conditions, A.B. Data will disclose only that portion of the material that it determines it is required to disclose. This provision shall survive termination of Services.
- OWNERSHIP.** The parties understand that all rights in the programs, system data, and/or materials utilized or furnished by A.B. Data to the Client in the ordinary course of the performance of Services hereunder are the sole property of A.B. Data. Fees and expenses paid by Client do not vest in Client any rights in such property, it being understood that such property is only being made available for Client's use during and in connection with the Services provided by A.B. Data.
- RETURN OF CLIENT PROPERTY.** Upon conclusion of the administration and in the absence of court-ordered retention instructions, A.B. Data will provide the Client with notice that upon the Client's written request, A.B. Data will destroy and/or return all property and material constituting confidential information within 90 days or store it for a period of one year at a monthly charge of \$1.50 per storage box for paper documents and \$0.01 per image for three (3) years to compensate A.B. Data for its electronic and hard-copy storage costs. A.B. Data shall not be responsible for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data furnished by the Client or its representatives unless A.B. Data has expressly agreed in writing to assume such responsibility.
- ENTIRE AGREEMENT.** The terms of these Terms and Conditions, together with the Proposal attached hereto, constitute the entire agreement and understanding of the parties and supersede and replace any existing agreement (whether oral or written) entered into by A.B. Data and the Client relating generally to the subject matter hereof and may be modified only in a writing signed by A.B. Data and the Client. The paragraph headings contained herein are included only for convenience, do not in any manner modify or limit any provisions of these Terms and Conditions, and may not be used in the interpretation of these Terms and Conditions.
- NOTICE.** Any notice or other communication required or permitted herein shall be in writing and shall be delivered personally or sent by U.S. Mail, postage prepaid, or overnight courier. Any such notice shall be deemed given when so delivered personally or if mailed, five (5) days after the date of deposit in the U.S. Mail or if sent by overnight courier, one business day after delivery to such courier. Notice shall be provided to a responsible officer or principal of the Client or A.B. Data, as the case may be.
- FORCE MAJEURE.** A.B. Data shall not be liable for any loss or damage of any nature whatsoever incurred as the result of any failure or delays in performance hereunder due to any cause or circumstances beyond its reasonable control including, without limitation, strikes, lockouts, or other labor disputes; fires; floods; acts of God or a public enemy; riots; civil disorders; insurrections; war or war conditions; or interference by civil or military authorities. The time for performance hereunder shall be extended for a period equal to the duration of such disabling cause and a reasonable time thereafter.
- GOVERNING LAW.** These Terms and Conditions shall be governed by and construed in accordance with the laws of the state of New York (without giving effect to any choice of law or conflict of law provisions).
- SEVERABILITY.** All clauses and covenants contained in these Terms and Conditions are severable and in the event any clause or covenant herein shall be held invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.
- NONWAIVER.** No provision of these Terms and Conditions shall be deemed waived by reason of one party failing to enforce the provision on one or more occasions.

Rev. 11/19/19

CONFIDENTIAL

8/10/2021

EXHIBIT 3

TERMS OF SETTLEMENT FOR RESOLUTION OF ACTION FILED AS CLASS ACTION
AND REPRESENTATIVE ACTION, AND REQUEST FOR COURT APPROVAL
Short Title: *Ainsworth v. Sea Coast*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO**

TERESA AINSWORTH, an individual, on behalf of
herself and all others similarly situated,

Plaintiff,

v.

SEA COAST HOSPICE CARE, INC., a California
corporation; SAMSON GAVRANIAN, an
individual; and DOES 1 through 10, inclusive,

Defendants.

) Case No.: 37-2020-00039584-CU-OE-CTL

)
) **NOTICE OF PENDENCY AND SETTLEMENT OF**
) **CLASS ACTION AND REPRESENTATIVE**
) **ACTION**

) Assigned for All Purposes:

) Judge: Hon. Eddie C. Sturgeon

) Dept.: C-67

ATTENTION:

PLEASE READ THIS DOCUMENT CAREFULLY. THERE IS A SETTLEMENT OF THIS LAWSUIT AND YOUR RIGHTS ARE AFFECTED. THIS CASE IS NOT AGAINST YOU. YOU ARE ENTITLED TO MONEY FROM THIS LAWSUIT.

Why Should I Read this Notice?

Teresa Ainsworth ("Ainsworth") filed a lawsuit against Sea Coast Hospice Care, Inc. (Sea Coast") and Samson Gavranian ("Gavranian"). In her lawsuit, Ainsworth seeks to recover certain wages and expenses for herself, and on behalf of other of Sea Coast's Registered Nurse Case Managers, Licensed Vocational Nurses, Certified Home Health Aides, Social Workers, and Spiritual Care Workers (collectively, "health care workers"). The lawsuit also seeks to recover certain penalties on behalf of the State of California.

Sea Coast and Gavranian deny that they committed any violations of California law. They also deny that any money is owed to Ainsworth, to any other health care workers, or to the State of California.

Ainsworth, Sea Coast and Gavranian have agreed to a settlement of the lawsuit that includes the company's health care workers. The Judge in the case has preliminarily approved the settlement and ordered that you receive this "Notice of Pendency and Settlement of Class Action and Representative Action" ("Settlement Notice") regarding the lawsuit, and the money that will be paid to you if the Judge gives his final approval to the settlement. **You do not need to do anything and you do not need to pay anything to receive settlement money from this lawsuit, but you should read this entire Settlement Notice to understand your rights and options.**

What Is This Case About?

Ainsworth worked for Sea Coast between February 2020 and June 2020. On June 29, 2020 and July 14, 2020, Ainsworth and her attorneys sent notices to the California Labor & Workforce Development Agency ("LWDA") asserting penalty claims against Sea Coast and Gavranian for certain alleged wage violations of California law. On October 30, 2020, Ainsworth and her lawyers filed this lawsuit as a proposed "class action" and "representative action" based on the same allegations. In general, Ainsworth's lawsuit claims that she and other

health care workers were not paid correctly for all hours worked, were not given meal and rest periods, were not provided reimbursement for all business expenses, and were not paid timely, in addition to other related claims.

Class actions and representative actions are types of cases where one or more individuals file a lawsuit on behalf of a group of similarly situated people to try and recover damages for everyone in the group, without the need for separate individual lawsuits. Class actions and representative actions may be used by the courts in certain situations where the claims of a group raise basic issues of law or fact that are common, making it fair to bind all class members to the orders and judgment in a case without the need to hear the claims for each class member. Class actions and representative actions can ensure that everyone involved is bound by the results of the lawsuit.

What Is the Settlement?

The parties attended a mediation in May 2021. They agreed to propose this settlement before more work is performed in the lawsuit. The settlement requires Sea Coast to pay a total of \$200,000 over 18 months, some of which has already been deposited with a Court-appointed settlement administrator. The Judge in the lawsuit has never determined whether Ainsworth, other health care workers, or the State of California are owed any money, nor whether Sea Coast and Gavranian violated any laws; instead, the Judge has given his preliminary approval to the parties' settlement. If the Judge gives final approval to the settlement, then you will be paid money from the settlement fund described below in exchange for releasing any claims you might have in the lawsuit.

You have been identified as having worked for Sea Coast as a health care worker between March 1, 2019 through and including [date to be inserted when agreement is executed], 2021. You are part of the "Settlement Class." If the settlement is finally approved by the Judge, the \$200,000 will be paid to out as follows: \$3,750 will be paid to the State of California; up to \$7,000 will be paid to the settlement administrator; up to \$66,666.67 will be paid to Ainsworth's lawyers for their work on the lawsuit and up to \$7,500 for their costs incurred on the lawsuit; up to \$5,000 will be paid to Ainsworth as a service fee for her work and risks undertaken in bringing the lawsuit; and the remainder will be paid to you and the other employees in the Settlement Class in "Settlement Shares," which will be divided pro rata between the Settlement Class members based on each person's weeks worked for Sea Coast during the Class Period. Each Settlement Class member's Settlement Share will be established by dividing his/her total weeks worked during the Class Period by the aggregate of all weeks worked by Settlement Class members during the Class Period, and then multiplying that fraction by the amount available to pay the Settlement Class; payments to the Settlement Class members will be allocated as follows: 30% of each person's Settlement Share will be paid as W-2 wages (inclusive of the employer's share of payroll taxes on gross amounts paid) and 70% of each person's Settlement Share will be paid as 1099 interest and penalty income; payroll taxes will be withheld on any wage portions paid to Settlement Class members by the Court-appointed Settlement Administrator; amounts allocated as 1099 penalties and interest income paid to each Settlement Class member shall be paid without deduction or offset to reflect payment of alleged interest, penalties, and other non-wage amounts, although Defendants may issue an IRS Form 1099-Misc and/or IRS Form 1099-Int to reflect these payments for penalties and interest made by the Court-appointed Settlement Administrator.

Based on your employment records with Sea Coast, you worked amount workweeks during the Class Period and your Settlement Share is estimated to be approximately \$amount. It is likely this number will change slightly before the end of the case. This amount will be paid all at once in one check to you. Each person's settlement share is a compromise of your approximate damages/penalties owed, it is not an exact amount of what you might possibly be owed if you pursued your own individual claim and proved your case in court. If you believe the number of workweeks above is incorrect, you can dispute that information by submitting a written statement, postmarked on or before date/time to the settlement administrator at settlement administrator address,

and include your full name (printed), address, telephone number, and signature, the name and number of the case, a statement describing your challenge to the number of workweeks, and documentation to support your challenge.

Nothing in this Settlement Notice is intended to be tax advice. The lawyers in this case cannot provide you with any tax advice, and you should consult your tax advisor for any questions about tax issues pertaining to the settlement and your claim share.

When Will Money be Distributed?

There will be a court hearing where the Judge will be asked to grant final approval to the settlement on **date/time**, in Department C-67 of the Superior Court of the County of San Diego. You are not required to appear in court at that hearing. If the Judge gives final approval and there are no objections or appeals, then all employees who remain a part of the settlement, including you if you do nothing, will be paid their settlement share within approximately 90 days after the Court enters judgment. If the Judge gives final approval and there are objections or appeals, it is uncertain when objections and appeals may be resolved and resolving them can take time. Please be patient.

What Am I Releasing?

Upon the date the settlement is finally approved and becomes effective, you will forever discharge, waive and release Defendants, their officers, directors, agents, and employees from any and all Class Claims within the Class Period, unless you request exclusion from the settlement. The Class Claims include any and all claims, known or unknown, that were asserted in Ainsworth's lawsuit or that could have been asserted in the lawsuit based on the facts and claims alleged in the complaint including: all claims for unpaid minimum wages; overtime wages, including but not limited to alleged miscalculation of overtime wages; pay for all hours worked, including but not limited to alleged nonproductive time and/or off-the-clock work including but not limited to travel time and documentation time; lawfulness of the per visit/piece rate pay plan; rest periods; meal periods; timeliness of wages; payment of wages at termination; itemized wage statements; unfair competition related to any or all of the foregoing; any unpaid wages or compensation related to any or all of the foregoing; any premium payments related to any or all the foregoing; restitution for any of the foregoing; attorneys' fees or costs related to any or all of the foregoing; and/or any other damages or amounts related to any or all of the foregoing. The release of Class Claims includes any and all claims pursuant to: California Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 221-224, 226, 226.2, 226.3, 226.7, 227.3, 510, 512, 1192, 1194, 1194.2, 1197, 1198, 1198.5, 1197.1, 2802, 2698 et seq. (PAGA); the California IWC Wage Orders; and the California Business and Professions Code Section 17200 based on alleged violations of the foregoing statutes and Wage Orders, regardless of theory of recovery.

If you want a complete statement and the details of the scope of all claims being released, please refer to the settlement agreement, a copy of which can be obtained from the settlement administrator at **settlement administrator address** or you can also access a copy through the Register of Actions at <https://roa.sdcourt.ca.gov/roa/>, or by visiting the Civil Business Office at the San Diego Superior Court, located at 330 West Broadway, San Diego, CA 92101. If you have other questions, you can contact the lawyers who were appointed by the Judge as the lawyers for the health care workers in this case ("Class Counsel"), they are now your lawyers for this settlement: Malte L. L. Farnaes, Christina M. Lucio and Mitchell J. Murray, Farnaes & Lucio, APC; 2235 Encinitas Blvd., Suite 210, Encinitas, California 92024; Telephone: (760) 942-9432. You may seek independent legal counsel and/or hire your own attorney to represent you in this case at your own expense;

otherwise, you will be automatically represented by Class Counsel. For other questions, you may also contact the settlement administrator's support line: **telephone number and/or email address**.

What Are Your Options?

The Court has ordered this Settlement Notice to be mailed to all Class Members, to notify you of the lawsuit and of your rights related to the settlement. The law prohibits retaliation by an employer against any person who participates in or assists in the litigation of a lawsuit of this nature. If you are still employed by Sea Coast, you have a right to participate and collect your settlement share. Sea Coast and Gavranian encourage all employees to participate in this settlement and will not retaliate against you for participating in the settlement.

At this time, you have certain options:

1. Remain in the Case and Participate in the Settlement

A. **Do Nothing**. If you do nothing, you will automatically continue to be included in the case and represented by Class Counsel. You do not have to pay any money. You will receive your settlement share if the Court grants final approval to the settlement. Your decision will be final and binding, and you will not be able to change your mind later and request exclusion, and you will also not be able to later bring a separate action regarding the unpaid wage, expense and penalty claims in this lawsuit.

B. **Object**. If you remain in the case, you may also object to the settlement if you choose, in which case you must send a written objection postmarked on or before **date/time** to the settlement administrator at **settlement administrator address**. All objections must be signed and include your full name (printed), address, telephone number, the name and number of the case, and describe the nature of and basis for the objection. Any person who fails to either provide a timely written objection may be precluded from presenting their objection. The court and the lawyers will be notified of your objection to the settlement. If you object and your objection is overruled, then you will be bound by the settlement and will not be allowed to request exclusion.

2. Exclude Yourself from the Settlement

You may choose to exclude yourself from the settlement. This means that you will be withdrawing your claim from the lawsuit. Your decision will be final and binding, and you will not be able to change your mind later. You will not receive any payment from the settlement and you will not be releasing any claims you may have. If you decide to request exclusion, you must send a written request for exclusion postmarked on or before **date/time**, 2021, and include your full name (printed), address, telephone number, the name and number of the case, and a statement saying that you wish to be excluded from the class; and your signature. Send requests for exclusion directly to: **settlement administrator address**. The court and the lawyers will be notified of your request for exclusion from the case. If you elect to request exclusion, you need to be aware that there are strict statutes of limitations, i.e., deadlines, that restrict your ability to bring your own claim, and if you intend to take your own action you should do so immediately. If you do not request exclusion, or if your request is not completed and postmarked by the date above, you will automatically be included in the settlement. You may not request exclusion and object to the settlement; if you request exclusion, you have no right to object to the settlement.

When and Where Will Checks Be Mailed?

Your check will automatically be mailed to you at the end of the 18-month payment schedule to the same address where you received this Settlement Notice or, if you provide an updated address to the settlement administrator, to your new address. If the pre-printed address on the envelope with this Settlement Notice is incorrect, you must correct it. If your address changes before your check is mailed, you must notify the settlement administrator of your new address in writing because it has no duty under the terms of the settlement to conduct a search to locate a new address for you. For address changes, please contact the settlement administrator at: **settlement administrator address**.

This Settlement Notice contains only a summary of the case to date. Complete pleadings and other papers filed with the Court are available for inspection on the Register of Actions at <https://roa.sdcourt.ca.gov/roa/>, or by visiting the Civil Business Office at the San Diego Superior Court, located at 330 West Broadway, San Diego, CA 92101. Please do not call or write the Clerk of the Court for information about this case; inquiries must be made in person at the Civil Business Office or by accessing documents via the internet. You may also contact Class Counsel. **DO NOT CONTACT THE JUDGE ABOUT THIS CASE.**