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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

JUANITA CASTELLON, individually, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act; Plaintiff, vs. HOPE SERVICES, a California corporation; and DOES 1 through 100, inclusive, Defendants.	Case No.: 20CV371692 Honorable Theodore C. Zayner Department 19 **DECLARATION OF ELIZABETH PARKER-FAWLEY IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** Date: April 29, 2026 Time: 1:30 p.m. Dept.: 19 Action Filed: October 5, 2020 FAC Filed: April 2, 2025 Jury Trial: None Set

I, Elizabeth Parker-Fawley, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Juanita Castellon ("Plaintiff"). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

2. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, the firm is attorney of record in over 100 employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act ("PAGA") representative actions. The firm has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. Lawyers *for* Justice, PC has recovered 100 million dollars on behalf of over 100 thousand individuals in California.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University. From approximately September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002 to approximately August 2002,

he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained a license to practice law from the California State Bar. Since in or around October of 2008, through his work at Lawyers *for* Justice, PC, he has almost exclusively focused on the prosecution of consumer and employment class actions. While employed by Lawyers *for* Justice PC, he has argued over one hundred (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of expert witnesses for deposition or trial, and attended over one hundred seventy-five (175) mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. Under his supervision, Lawyers for Justice, PC has successfully obtained class certification by contested motion practice in approximately fifteen (15) cases in the last decade and litigated over 1,000 class action or representative action cases.

4. Arby Aiwazian is a Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from University of California, Los Angeles and graduated magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. From approximately August 2008 to approximately December 2008 he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before all courts of the State of California and all United States District Courts in the State of California. He has worked on many wage-and-hour class action and representative action cases, taking the lead in taking and defending depositions, arguing motions, and attending mediations. He has played an integral role in preparing matters for class certification, including and not limited to, successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No. BC478769), and

Abdulhaqq v. Urban Outfitters (Alameda County Superior Court Case No. RG13680477). He has worked on over one hundred (100) class action or representative action cases which have resulted in settlement.

5. Joanna Ghosh is a Senior Member of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010) and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration agreements, coordination, intervention. She has successfully handled briefing and oral argument on appeal, and obtained notable decisions regarding the Private Attorneys General Act and employer efforts to compel arbitration of PAGA claims, e.g., *Betancourt v. Prudential Overall Supply*, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also has extensive experience with class action and/or representative action settlements. Under her, Edwin Aiwazian, and Arby Aiwazian's supervision, the firm has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. She is a member of the California Employment Lawyers Association.

6. I am the Senior Director of Litigation at Lawyers for Justice, PC. I earned my Bachelor of Arts in History at Chapman University in 2011 and my Juris Doctor from the UCLA School of Law in 2014. In December 2014, I obtained a license to practice law from the California State Bar. I am admitted to practice in all courts in the State of California, as well as the Central, Southern, Northern, and Eastern District Courts of California and the Ninth Circuit Court of Appeal. Since December 2014, I have worked at Lawyers for Justice,

PC, and my practice has almost exclusively focused on the prosecution of employment class actions and representative actions, handling cases in all stages of litigation from initial pleadings to assisting with class action trial matters, attending mediations, and preparing class action settlements. I oversee approximately fifteen to twenty-five attorneys working on hundreds of employment class actions and representative actions and provide internal training for our litigation practice group and post-bar law clerks. I oversee the litigation practices of the firm, review and advise attorneys on work product and practices, provide training, and supervise cases from their inception to final accounting. I am a member of the California Lawyers Association Labor & Employment Group.

BASIC INFORMATION ABOUT THE CASE AND REACHING THE SETTLEMENT

7. Marked and attached hereto as "**Exhibit 1**" is the Stipulation of Class Action and PAGA Settlement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiff and Hope Services ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and their counsel have approved the Notice of Proposed Class Action Settlement and Hearing Date for Approval ("Class Notice," "Notice," or "Notice of Class Action Settlement"), which is attached to the Settlement Agreement as "Exhibit A" and respectfully request that the Court approve it as well.

8. The effectiveness of Lawyers *for* Justice, PC ("Class Counsel") in prosecuting this matter has translated into tangible monetary benefits in the following respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other complex wage and hour class and/or representative action settlements of similar type given the strengths and weaknesses of the case; and (3) significant savings in attorneys' fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

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9. Class Counsel has been directly involved in the litigation of the case and was actively preparing the matter for class certification and trial. The Parties have engaged in extensive settlement negotiations and on September 26, 2023, participated in a formal, full-day mediation conducted by Jeffrey Krivis, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. In the course of the litigation and in connection with the mediation and settlement discussions, the Parties exchanged class information and engaged in extensive discussions regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, overtime compensation, meal and rest periods, rounding, the regular rate of pay, meal waivers, and wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about Defendant's ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed that they would be able to obtain class certification and prevail at trial. After conducting investigations, conducting formal and informal discovery and exchange of information, and extensive settlement negotiations, with the aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Claims of Settlement Class Members.

10. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength, and scope of the claims. Class Counsel conducted significant investigation, and informal discovery regarding the facts of the case, including and not limited to, the exchange, review, and analysis of a large volume of information, documents, and data obtained from Plaintiff, Defendant, and other sources. Class Counsel took the deposition of Defendant's

person most qualified and served multiple sets of formal written discovery requests on Defendant (specifically, Requests for Production of Documents (Set One), Special Interrogatories (Sets One and Two) and Form Interrogatories (Set One) and Requests for Admissions (Set One)). In addition, Plaintiff sat for her deposition. The volume of information, data, and documents that Class Counsel reviewed and analyzed included and was not limited to: employment records of Plaintiff, about 99% of Class Members' time and pay data, and Defendant's operations and employment practices, procedures, and policies documents, including the Employee Handbook (including sections regarding Time and Attendance Record, Overtime Pay, Meals and Breaks, Tardiness, Discipline, Discharge and Termination and Expense Reimbursement) Cash Handling and Balancing Standards, and job descriptions for Class Members. Class Counsel had the opportunity to interview Plaintiff and other putative class members to gather facts and circumstances surrounding Plaintiff' and putative class members' employment.

11. Counsel for the Parties also met and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, motion practice, and discovery and the production of information, documents, and data in the course of litigation and in connection with mediation and settlement negotiations. Class Counsel also drafted pleadings and the mediation brief, and prepared for and attended court proceedings, mediation, and settlement negotiations, among other tasks.

12. Counsel for the Parties have also invested time researching and investigating the applicable law, which is evolving as it relates to certification, off-the-clock theory, regular rate, rounding, meal and rest periods, wage-and-hour law and enforcement, Plaintiff' claims and damages, and Defendant's defenses thereto, as well as facts discovered. Based on Class Counsel's analysis, the result achieved in this litigation is fair, adequate, and reasonable.

ESTIMATE OF THE VALUE OF THE CLAIMS

13. Defendant is a provider of services to people with developmental disabilities and mental health needs. Defendant is headquartered in San Jose, California and operates in nine Bay Area Counties. Defendant also manages thrift stores in Fremont, San Jose, and

Watsonville. Plaintiff worked for Defendant in 2019 as an assistant store manager. Plaintiff alleges that Defendant violated the California Labor Code and Industrial Welfare Commission Wage Orders by engaging in a uniform policy and systematic scheme of wage abuse against Plaintiff and the putative class members, including inter alia, failing to properly compensate minimum, regular and overtime wages, failing to provide compliant meal and rest periods and associated premium pay (including and not limited to, at the correct regular rates), failing to timely pay wages during employment, failing to timely pay wages upon termination and associated waiting-time penalties, failing to provide compliant wage statements, failing to maintain requisite payroll records and failing to reimburse necessary business expenses.

14. Based on data provided by Defendants and/or extrapolations by Class Counsel, the total number of putative class members was estimated to be approximately 1,464 individuals who worked a total of approximately 117,584 workweeks and 58,197 pay periods (from April 2, 2021[1], through preliminary approval) with an average hourly rate of pay of $18.80. The PAGA Period (October 5, 2019, through preliminary approval), is estimated to include 1,616 PAGA Employees, who worked an estimated total of 81,968 pay periods.

15. Plaintiff contended that Defendant required putative class members to perform work before clocking-in and after clocking-out of their scheduled shifts and during meal and rest periods. Plaintiff alleged that they and putative class members were not paid all wages due to them (regular, minimum and overtime wages) as a result of off-the-clock work they were required to perform, rounding, and failure to correctly calculate the regular rate of pay. Plaintiff alleged that meal and rest periods were regularly interrupted, short, missed, and/or late because Plaintiff and putative class members were required to perform and complete work duties during meal and rest periods. Plaintiff alleged that Defendant failed to properly pay all meal or rest period premiums. Additionally, Plaintiff alleged that Defendant incorrectly calculated the regular rate for the purposes of calculating overtime and meal and rest

[1] Pursuant to the Settlement Agreement, the Class Period begins on the date that is four years prior to the date that the First Amended Complaint was filed. See Ex. 1, ¶ II.I. The First Amended Complaint was filed on April 2, 2025. Accordingly, the Class Period begins on April 2, 2021.

premiums because it failed to include non-discretionary forms of pay, including commissions and other incentives, in its regular rate calculations. Plaintiff also contended that Defendant failed to timely pay Plaintiff and putative class members all wages due to them while they were employed by Defendant, within the time period permissible under California law, and all wages due to them upon termination, within the time period permissible under California law, thereby triggering waiting-time penalties under California Labor Code section 203. Plaintiff also contended that, based on said violations, the wage statements provided by Defendant and the payroll records kept by Defendant were inaccurate. Plaintiff contended that Defendant failed to reimburse Plaintiff and the other putative class members for necessary business expenses, including, but not limited to, the costs associated with the use of personal vehicles and the use of personal cell phones.

16. Class Counsel considered defense arguments, e.g., that the employer's practices, policies, and procedures complied with the law, that Defendant paid putative class members over the California minimum wage for all hours worked, that it correctly paid overtime for all overtime hours worked, that it had written policies and/or practices providing class members an opportunity to take uninterrupted meal periods and rest breaks, that it paid meal premiums, that no waiting-time penalties were due because waiting-time penalties only arise from "willful" failure to pay wages due and owing at the time of termination or resignation, that putative class members suffered no actual injury from the alleged wage statement violations and that this cause of action and the recordkeeping violation are entirely derivative of the other causes of action, and that Defendant reimbursed employees for necessary business-related expenses and did not require employees to undertake expenses that were not reimbursed. Importantly, Class Counsel also considered the possibility that Defendant would not have the financial resources to satisfy a large judgment and that a victory at trial would be pyrrhic because Defendant would be forced to declare bankruptcy or close its business.

17. Class Counsel considered information, data, and documents obtained from Plaintiff, Defendant, and other sources, and created damages and penalties valuation models

prior to reaching the Settlement. Based thereon, we calculated the potential value of each of the claims. However, the potential value of each claim assumed an exposure based on the above-captioned action having been certified and Plaintiff having proven all elements of the claims and entitlement to monetary recovery in the above-captioned action (on a class-wide and a representative basis), despite risks associated with obtaining and maintaining certification and demonstrating manageability, risks to establishing liability and any underlying California Labor Code and IWC Wage Order violations and damages, and significant additional costs that would have to be incurred in order to certify the above captioned action and establish liability, damages, and penalties amounts in the case. Plaintiff faced the risk of the Court finding that individualized issues predominate, such that the case would not be suitable for class treatment. While Class Counsel disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, the extensive time and pay records and policy and practice-related documents produced by Defendant, the costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel calculated the potential and realistic values of each claim as follows:

a. <u>Failure to Pay Overtime Wages</u>: The potential value of this claim was estimated to be $3,315,868.80 (117,584 workweeks x 1 hour of unpaid overtime wages x overtime hourly rate of $28.20, which is based on the average hourly rate of $18.80). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $1,326,347.52), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $397,904.26), and a discount of 75% was applied to account for the risks associated with proving the extent of damages, obtaining an award, and enforcing a judgment thereon (bringing the value of this claim closer to $99,476.07).

b. Failure to Pay Minimum Wages: The potential value of this claim was estimated to be $2,210,579.20 (117,584 workweeks x 1 hour of unpaid minimum wages x average hourly rate of $18.80). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $884,231.68), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $265,269.50), and a discount of 75% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to $66,317.38).

c. Failure to Provide Compliant Meal Periods and Associated Premiums: The potential value of this claim was estimated to be $4,421,158.40 (117,584 workweeks x 2 meal period premiums x average hourly rate of $18.80). At this juncture, a discount of 55% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $1,989,521.28), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $596,856.38), and a discount of 70% was applied to account for the risks associated with proving the extent of damages, obtaining an award, and enforcing a judgment thereon (bringing the value of this claim closer to $179,056.91).

d. Failure to Provide Compliant Rest Periods and Associated Premiums: The potential value of this claim was estimated to be $4,421,158.40 (117,584 workweeks x 2 rest period premiums x average hourly rate of $18.80). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $1,768,463.36), a discount of 75% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $442,115.84), and a discount of 70% was applied to account for the risks associated with proving the extent of damages, obtaining an award, and enforcing a judgment thereon (bringing the value of this claim closer to $132,634.75).

e. Failure to Timely Pay Wages During Employment: The value of this claim is considered as a part of the valuation of the PAGA claim contained *infra*.

f. Failure to Timely Pay Wages After Termination (and Waiting-Time Penalties): Based on information and data provided by Defendant, it was estimated that approximately 410 putative class members had been terminated during the three-year statute of limitations. Assuming that these individuals were not timely paid all wages due to them upon termination, the potential value of waiting-time penalties was estimated to be $1,849,920.00 collectively (410 individuals x [30 days x average hourly rate of $18.80 x 8 hours]), or approximately $4,512.00 per individual. At this juncture, a discount of 55% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $832,464.00), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $249,739.20), and a discount of 75% was applied to account for the risks associated with proving the extent of damages, obtaining an award, and enforcing a judgment thereon (bringing the value of this claim closer to $62,434.80).

g. Failure to Provide Compliant Wage Statements: The potential value of this claim was calculated to be $1,028,000 (257 individuals x $4,000.00

maximum statutory penalty). At this juncture, a discount of 55% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $462,600.00), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $138,780.00), and a discount of 75% was applied to account for the risks associated with proving the extent of damages, obtaining an award, and enforcing a judgment thereon (bringing the value of this claim closer to $34,695.00).

h. Failure to Maintain Payroll Records: Arguably, civil penalties would only be recoverable by the Labor Commissioner, therefore, the value of this claim is considered as a part of the valuation of the PAGA claim contained *infra*.

i. Failure to Reimburse Necessary Business Expenses: The potential value of this claim was estimated to be $552,644.80 (117,584 workweeks x $4.70 unreimbursed business expenses). At this juncture, a discount of 50% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $276,322.40), a discount of 75% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $69,080.60), and a discount of 70% was applied to account for the risks associated with proving the extent of damages, obtaining an award, and enforcing a judgment thereon (bringing the value of this claim closer to $20,724.18).

j. PAGA Penalties: The amount of civil penalties at issue, which the Court could determine whether or not to assess and whether or not to reduce based on the facts and circumstances of the case (to avoid an award that is unjust, arbitrary and oppressive, or confiscatory, pursuant to California

Labor Code section 2699(e)(2)), were estimated to be approximately $1,517,100.00 (1,616 aggrieved employees estimated to have worked during one-year statutory period x $1,950 civil penalties). At this juncture a discount of 40% was applied to account for the risks associated with possible bifurcation of discovery and/or trial (bringing the value of this claim closer to $910,260.00), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $273,078.00), and a discount of 50% was applied to account for the risks associated with the Court's discretion to reduce civil penalties and obtaining an award of civil penalties (bringing the value of this claim closer to $136,539.00).

18. Class Counsel took into consideration that the maximum amount is almost never recovered at trial and never in a settlement. Settlements, by their nature, must account for the weaknesses in a plaintiff's case, which are discussed above. Indeed, because Defendant raised a colorable legal or factual defense to each of the claims Plaintiff alleged, it is possible that, after trial, the Class would recover nothing.

19. The foregoing discussion confirms that the amount of the settlement is adequate in light of Plaintiff's allegations and causes of action, the evidence at issue with respect to those allegations and causes of action, and legal and factual arguments and circumstances which pose challenges to certification, merits, and monetary recovery. The conclusion to be drawn from the foregoing analysis is that neither class certification, liability, nor the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is clear-cut, which is why the parties elected to settle the case. Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, and risks to recovery and applied appropriate discounts. Class Counsel also recognized that additional discounts could be made to the risk-adjusted value to account for the costs and expenses associated with further litigation and the present value of obtaining a settlement now as opposed to monetary recovery, if any, that may be obtained in the future after further litigation.

CLASS MEMBERS AND CLASS PERIOD

20. The Class consists of all individuals who were employed by Defendant in California as non-exempt or hourly employees during the Class Period. The Class Period is from April 2, 2021, through the date of preliminary approval. Based on information provided by Defendant, the number of Class Members is estimated to be 1,464. The exact number and identity of Class Members will be provided by Defendant in connection with its duty to provide Class Data to the Settlement Administrator within 15 days after the Court preliminarily approves the settlement. We are not aware of any conflicts of interest between Class Members or between Class Counsel and Class Members.

PROPOSED DEDUCTIONS FROM GROSS SETTLEMENT

21. The Settlement provides that Defendant will pay $1,350,000.00 ("Gross Settlement Amount"), subject to possible increase pursuant to Section IV.I of the Settlement, to resolve the above-captioned action and released claims described in the Settlement. The Net Settlement Amount is the Gross Settlement Amount less the following amounts subject to approval by the Court: Service Award to the Class Representative (up to $10,500.00), Settlement Administration Costs (up to $17,750.00), Class Counsel's Attorneys' Fees (up to $472,500.00, based on 35% of the expected Gross Settlement Amount), Class Counsel's Costs (up to $30,000.00), and PAGA Penalties of $250,000.00. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Participating Class Members is currently estimated to be $569,250.00. The Net Settlement Amount will be fully distributed in accordance with the terms of the Settlement and there is no reversion to Defendant. Payment of the amount necessary to cover the employer's portion of payroll taxes associated with the portion of the settlement allocated to wages will be made by Defendant, separate and apart from the Gross Settlement Amount.

22. The Parties have agreed to retain Phoenix Settlement Administrators ("Phoenix" or "Settlement Administrator") to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Phoenix to handle these

procedures and serve as the Settlement Administrator. Defendant will provide the Settlement Administrator with a readable Microsoft Office Excel spreadsheet including each Class Member's full name, last known mailing and email address, Social Security Number, the number of Qualifying Pay Periods worked by the Class Member in the Class Period, and the number of PAGA Pay Periods worked by the Class Member during the PAGA Period. The Settlement Administrator will calculate each Class Member's *pro rata* share of the Net Settlement Amount and the PAGA Employee Portion. All settlement notices will be sent in English and Spanish. The Settlement Administrator's duties will include handling tax-related withholding, deductions, and remittances to applicable state and/or federal taxes authorities; translating and mailing the settlement payment checks to the Settlement Class Members; issuing W-2, 1099, and other required tax forms; determining the timeliness, validity, and/or completion of any Notices of Objection, Requests for Exclusion, and/or disputes regarding Qualifying Workweeks or PAGA Pay Periods; distributing the Class Notice and responding to inquiries about the Class Notice; calculating and disbursing payments; and performing such other tasks necessary to effectuate the terms of the Settlement Agreement. Settlement Administration Costs will not exceed $17,750.00 and will be paid out of the Gross Settlement Amount, subject to approval of the Court. I am not aware of any conflicts of interest in appointing Phoenix as the Settlement Administrator.

23. Based on investigation and information discovered, Class Counsel believes that there is sufficient evidence to support the allegations made in the above-captioned action, including the allegations that Defendant, with respect to Plaintiff and Class Members, *inter alia,* failed to properly pay all wages due, failed to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay wages during employment and upon termination of employment, failed to provide compliant wage statements, failed to reimburse necessary business expenses, and thereby engaged in unfair business practices and conduct. Plaintiff also asserted that Class Members were expected to perform similar job duties and were subject to the same or similar operations and employment policies, practices, and procedures. Additionally, Plaintiff asserted that Defendant's recordkeeping practices with

respect to Plaintiff and Class Members were substantially the same during the time period at issue. As a result of said alleged uniform practices, Plaintiff claims that Class Members were not paid all of the compensation that was owed to them by Defendant. Thus, in Class Counsel's view, it is clear that the outcome of this litigation would be determined by Defendant's uniform operations and employment practices, policies, and procedures that Plaintiff alleges applied across Defendant's hourly-paid, non-exempt employees in California during the relevant time period.

24. Class Counsel is aware of the defenses and position of Defendant but believes that Plaintiff could potentially obtain class certification despite these defenses. Plaintiff and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation, including those involved in class certification and/or representative adjudication. If the Settlement is not approved, Plaintiff would need to move forward with additional discovery and class certification. Plaintiff and Class Counsel further recognize the burdens of proof necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the difficulties in establishing entitlement to monetary recovery. Even if a class were certified, significant risks would remain. Defendant's defenses could cause the jury to reject Plaintiff' claims or only award a small amount of the unpaid wages and other damages and penalties sought. And even if Plaintiff prevailed at trial, Class Members might have to wait years before they received any payment, or Defendant might not have the financial resources to satisfy any judgment. Plaintiff and Class Counsel have also considered the Parties' settlement discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in complex labor and employment matters.

25. Defendant, on the other hand, denied and continues to deny any liability and wrongdoing of any kind associated with the allegations in the case, and further denies that the lawsuit is appropriate for class treatment or representative adjudication for any purpose other than the Settlement. Defendant believes that it would ultimately succeed in the matter because, among other reasons, it contends that individual issues overwhelm common issues and

because this action is not manageable as a class action. Both sides have also had the opportunity to conduct investigations and gather documents and information relating to Plaintiff's and the Class Members' employment with Defendant, and Defendant's operations and employment policies, practices, and procedures. The Parties also reviewed and analyzed a volume of information, documents, and data, including pre-mediation production of almost all PAGA Employees' time and pay information, to determine the potential value and strength of the claims. The available information enabled Class Counsel to assess and value the class claims and prepare violation, damages, and penalties analyses and models. Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently informed of the nature and extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded at certification, trial, and/or appeals.

26. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to 35% of the Gross Settlement Amount (i.e., $472,500.00 if the Gross Settlement Amount remains $1,350,000.00) and expenses and costs in an amount not to exceed $30,000.00 which will be paid out of the Gross Settlement Amount subject to approval by the Court. To date, Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained in this matter.

27. The Settlement Agreement provides for payment of a Service Award of up to $10,500.00 to Plaintiff for her services as the class representative, to be paid out of the Gross Settlement Amount subject to approval by the Court. Plaintiff spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed her and actively tried to obtain information that would facilitate the pursuit of the class claims. Plaintiff also prepared and appeared for her deposition in connection with this matter. Accordingly, it is appropriate and just for Plaintiff to receive the proposed Service Award, in addition to her individual settlement payment.

28. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

29. Class Counsel is not aware of any concurrent overlapping wage and hour class or representative actions against Defendant.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on December 5, 2025, at Glendale, California.

Elizabeth Parker-Fawley

EXHIBIT 1

(Settlement Agreement)

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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

JUANITA CASTELLON, individually, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act; Plaintiff, vs. HOPE SERVICES, a California corporation; and DOES 1 through 100, inclusive, Defendants.	Case No.: 20CV371692 Honorable Theodore C. Zayner Department 19 **STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT** Complaint Filed: October 5, 2020 Trial Date: None Set

I. INTRODUCTION AND SUMMARY OF SETTLEMENT TERMS

This stipulation sets forth the terms of the settlement of a class and representative action filed on behalf of current and former non-exempt employees who worked for Defendant Hope Services in California during the Class Period, as defined below. The First Amended Complaint alleges causes of action against Defendant for (1) Violation of California Labor Code sections 510 and 1198 (unpaid overtime); (2) Violation of California Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) Violation of California Labor

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Code section 226.7 (unpaid rest period premiums); (4) Violation of California Labor Code sections 1194, 1197 and 1197.1 (unpaid minimum wages); (5) Violation of California Labor Code sections 201 and 202 (final wages not timely paid); (6) Violation of California Labor Code section 204 (wages not timely paid during employment); (7) Violation of California Labor Code section 226(a) (non-compliant wage statements); (8) Violation of California Labor Code section 1174(d) (failure to keep requisite employment records); (9) Violation of California Labor Code sections 2800 and 2802 (unreimbursed business expenses); (10) Violation of California Business & Professions Code sections 17200, et seq.; and (11) Violation of California Labor Code sections 2698, et seq. (California Labor Code Private Attorneys General Act of 2004).

Under the terms of the Parties' Settlement and after final approval and entry of judgment pursuant to California Rule of Court 3.769, Defendant will pay a gross settlement amount of $1,350,000 (the "Gross Settlement Amount") plus the Employer's Withholding Share. The Settlement will be administered by a third-party settlement administrator with experience administering class action settlements of this type. Until distribution, the Gross Settlement Amount will be held in a Qualified Settlement Fund established by the Settlement Administrator. This is an opt-out settlement, and Class Members (as defined in Section II) will receive a settlement payment unless they timely submit a Request for Exclusion. Settlement Class Members shall not be required to submit a claim form.

The Parties agree and propose that the following disbursements will be made from the Gross Settlement Amount, subject to Court approval at the Final Approval Hearing:

A. Settlement Administration Costs, not to exceed $17,750.

B. Class Counsel's Attorneys' Fees, to be approved by the Court, in an amount not to exceed 35% of the Gross Settlement Amount, which will be $472,500, subject to the Escalator Clause;

C. Class Counsel's Costs, as approved by the Court, not to exceed $30,000;

D. Service Award to Plaintiff in the amount $10,500, as payment for her time and efforts in pursuing this Action, and for the broader release and other covenants that she will

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be providing to Defendant;

E. An allocation of $250,000 to Plaintiff's PAGA claims (the "PAGA Amount"), to be distributed as follows: Payment of $187,500 to the California Labor and Workforce Development Agency (the "LWDA Payment"), which represents the Labor and Workforce Development Agency's ("LWDA") 75% share of $250,000. The other 25% of the PAGA Amount ($62,500) will be distributed to the PAGA Employees (defined below).

F. The remainder of the Gross Settlement Amount (the "Net Settlement Amount") will be distributed to Settlement Class Members based on the methodology discussed in section IV.L.1, below. It is estimated that the Net Settlement Amount will be approximately $569,250, after deductions for Class Counsel's Attorneys' Fees, Class Counsel's Costs, Settlement Administration Costs, the Service Award, and the PAGA Amount.

Defendant represents that the Class consisted of approximately 1,616 members.

II. DEFINITIONS

As used in this Stipulation, the following terms shall have the meanings set forth below:

A. "Action" means this action currently pending in Santa Clara County Superior Court titled *Juanita Castellon v. Hope Services*, Santa Clara County Superior Court Case No. 20CV371692.

B. "Agreement" or "Stipulation" means this Stipulation of Class Action and PAGA Settlement.

C. "Class" means all current and former hourly-paid or non-exempt employees and individuals who worked for Defendant in California during the period starting four years prior to the date of the filing of the First Amended Complaint through the date of the Preliminary Approval Order. Defendant represents that the Class consists of approximately 1,616 members.

D. "Class Counsel" means:

a. Edwin Aiwazian, Arby Aiwazian, Joanna Ghosh and Elizabeth Parker-Fawley of LAWYERS for JUSTICE, PC, 450 Brand Blvd., Suite 900,

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Glendale, California 91203, (818) 265-1020; and

b. Aaron C. Gundzik and Rebecca G. Gundzik of Gundzik Gundzik Heeger LLP, 3415 S. Sepulveda Blvd, Ste 420, Los Angeles, CA 90034, (818) 290-7461.

E. "Class Counsel's Attorneys' Fees" means the amount to be awarded to Class Counsel from the Gross Settlement Amount for their attorneys' fees for their work in this Action, subject to Court approval at the Final Approval Hearing. Class Counsel's Attorneys' Fees will not exceed 35% of the Gross Settlement Amount.

F. "Class Counsel's Costs" means the amount to be awarded to Class Counsel from the Gross Settlement Amount to reimburse Class Counsel for their actual reasonable costs and expenses incurred in the Action, subject to Court approval at the Final Approval Hearing. Class Counsel's Costs will not exceed $30,000.

G. "Class Data" means each Class Member's and PAGA Employee's full name, social security number, last known home address, last known telephone number(s), along with the Class Member's number of Qualifying Pay Periods and the number of PAGA Pay Periods worked by each PAGA Employee during the PAGA Period, along with any other information required by the Settlement Administrator in order to effectuate the terms of the Settlement.

H. "Class Member" is a person who is a member of the Class.

I. "Class Period" means the period that begins on the date that is four years prior to the filing of Plaintiff's First Amended Complaint and ends on the Preliminary Approval Date.

J. "Complaint" means Plaintiff's First Amended Complaint. The Parties will use best efforts to file the First Amended Complaint within 14 days from the date that this Agreement has been signed by all Parties. The First Amended Complain will add class claims and related allegations for: (1) unpaid overtime; (2) unpaid meal period premiums; (3) unpaid rest period premiums; (4) unpaid minimum wages; (5) final wages not timely paid; (6) wages not timely paid during employment; (7) non-compliant wage statements; (8) failure to keep requisite payroll records; (9) unreimbursed business expenses; and, (10) violations of

California Business & Professions Code sections 17200, et seq. The Parties agree that Defendant is not required to file a responsive pleading to Plaintiff First Amended Complaint.

K. "Court" means the Superior Court of the State of California, in and for Santa Clara County, where the Action is currently pending.

L. "Defendant" means Hope Services.

M. "Defendant's Counsel" means Rona Layton of Layton Law Firm, 84 W. Santa Clara Street, #700, San Jose, CA 95113; Tel: (408) 892-9870.

N. "Effective Date" means the date of entry of the "Final Approval Order" if no objection is filed. If a timely objection to the settlement is filed and not withdrawn prior to the Final Approval Hearing, the "Effective Date" will be 60 days after service of notice of entry of the Final Approval Order on the Parties and all objectors to the Settlement without any appeals or request for review being taken, or orders affirming said Final Approval Order or denying review after exhaustion of all appellate remedies, if appeals or requests for review have been taken.

O. "Employer's Withholding Share" means Defendant's share of all federal, state, and local taxes and required withholdings, including without limitation, FICA, Medicare tax, FUTA, and state unemployment taxes. The Employer's Withholding Share will be paid separately by Defendant, in addition to the Gross Settlement Amount.

P. "Final Approval Order" means the Order Granting Final Approval of Class Action Settlement and Judgment entered by the Court.

Q. "Final Approval Hearing" means the hearing on Plaintiff's motion for final approval of this Settlement, at which the Court will be asked to give final approval to the settlement terms set forth herein and to enter judgment.

R. "Gross Settlement Amount" means the one million, three hundred and fifty thousand dollars ($1,350,000) which Defendant will pay under this Settlement, plus any additional amount paid pursuant to the Escalator Clause.

S. "LWDA Payment" means $187,500, which is 75% of the PAGA Amount. The LWDA Payment will be paid to the LWDA.

T. "Net Settlement Amount" means the amount remaining from the Gross Settlement Amount after payments of Court-approved Class Counsel's Attorneys' Fees and Class Counsel's Costs, the Service Award to the Representative Plaintiff, Settlement Administration Costs, and the PAGA Amount. It is estimated that the Net Settlement Amount will be at least $569,250.

U. "Notice of Settlement" means the "Notice of Proposed Class Action Settlement and Hearing Date for Approval," substantially in the form attached hereto as Exhibit A, or any subsequent version of Exhibit A, as approved by the Court.

V. "Notice of Objection" means a written objection to this Settlement sent by a Settlement Class Member to the Settlement Administrator that complies with the criteria specified herein and in the Notice of Settlement.

W. "PAGA Amount" means $250,000, which is the portion of the Gross Settlement Amount that the Parties allocated to settlement of Plaintiff's PAGA claims.

X. "PAGA Employee" means a current or former hourly-paid or non-exempt employees who worked for Defendant in California at any time during the PAGA Period.

Y. "PAGA Employee Portion" means $62,500, which is 25% of the PAGA Amount. The PAGA Employee Portion will be paid only to PAGA Employees.

Z. "PAGA Pay Period" means a pay period within the PAGA Period for which a PAGA Employee received a wage statement from Defendant in California.

AA. "PAGA Period" means the time period from October 5, 2019, through the Preliminary Approval Date.

BB. "PAGA Released Claims" means all claims, causes of action, and factual or legal theories arising during the PAGA Period, against the Released Parties (as defined below) for civil penalties under the California Labor Code Private Attorneys General Act of 2004 predicated on any of the alleged violations of the California Labor Code, Industrial Welfare Commission Wage Orders, regulations, and/or other provisions of law that were alleged or asserted in the Lawsuit or any PAGA notice(s) filed by the Plaintiff, or that reasonably could have been asserted in the Lawsuit or any PAGA notice(s) filed by the Plaintiff based on the

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facts or allegations therein. PAGA Employees shall not waive section 1542 of the California Civil Code.

CC. "Parties" means the Representative Plaintiff, on behalf of herself and all Settlement Class Members and the LWDA, and Defendant.

DD. "Preliminary Approval Date" is the date that the Court enters an order preliminarily approving this Settlement pursuant to California Rule of Court 3.769(c).

EE. "Qualified Settlement Fund" or "QSF" means a federally insured bank account to be established by the Settlement Administrator into which all payments from Defendant related to this Settlement will be deposited and from which all payments authorized by the Court will be made. The QSF will be established prior to Defendant's deposit of any portion of the Gross Settlement Amount.

FF. "Qualifying Pay Period" means a semi-monthly pay period in the Class Period during which a Class Member actually worked for Defendant in a Class position for at least one day. A pay period during which a Class Member was entirely absent from work, such as a pay period during which a Class Member was on leave or vacation, is not a Qualifying Pay Period.

GG. "Released Claims," means all claims, causes of action and factual or legal theories against the Released Parties (as defined below) arising during the Class Period, that were alleged or asserted in the Action, or that could have been alleged or asserted based on the facts and legal theories contained in the Complaint, specifically including but not limited to causes of action for: (i) failure to provide meal periods (Labor Code §§ 226.7, 512, and 1198); (ii) failure to provide rest periods (Labor Code §§ 226.7 and 1198); (iii) failure to pay minimum and overtime wages (Labor Code §§ 510, 1194, 1197, 1197.1 and 1198); (iv) failure to comply with itemized employee wage statement requirements (Labor Code §§ 226 and 1174); (v) failure to pay all wages upon termination (Labor Code §§ 201, 202, 203); (vi) violation of Labor Code § 2802; (vii) failure to timely pay wages during employment (Labor Code § 204); and (viii) violation of Business & Professions Code §§ 17200, which are premised on the violations described above. Class Members shall not waive section 1542 of the California Civil Code.

HH. "Released Parties" means (a) Hope Services, (b) each of its respective parent companies, subsidiaries, child companies, divisions, affiliates, related companies, common ownership entities, and co-employers through operation of law or otherwise, and (c) the current, former, and/or future shareholders, board members, directors, officers, managers, employees, agents, representatives, attorneys, insurers, reinsurers, partners, donors, investors, lenders, administrators, predecessors, successors, assigns, and joint ventures of each (a) and (b), collectively, and individually, but only as to the Released Claims.

II. "Representative Plaintiff" means Plaintiff Juanita Castellon.

JJ. "Request for Exclusion" means a signed request by a Class Member to be excluded from the Settlement that is submitted in accordance with the procedure set forth herein, also known as an "opt-out request."

KK. "Response Deadline" means the date that is sixty (60) calendar days after the mailing of the Notices of Settlement. Provided, for Notices of Settlement that are re-mailed to a different address, the Response Deadline will be the earlier of sixty (60) calendar days after re-mailing of the Notice of Settlement or ten days before the Final Approval Hearing.

LL. "Service Award" means the payment to be made to the Representative Plaintiff for her service to the Class. The Service Award is in addition to whatever payment the Representative Plaintiff otherwise will be entitled to receive as a Settlement Class Member. The Service Award will not exceed $10,500.

MM. "Settlement" means the disposition of the Action and all related claims effectuated by this Agreement.

NN. "Settlement Administration Costs" means the fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement including, but not limited to fees and costs associated with: (1) establishing and maintaining the QSF; (2) preparing, issuing and/or monitoring reports, filings, and notices (including the cost of translating, printing and mailing all notices and other documents to the

Class Members) required to be prepared in the course of administering the Settlement; (3) computing the amount of the settlement payments, taxes, and any other payments to be made under this Agreement; (4) calculating and handling inquiries about the calculation of individual settlement payments; (5) establishing and operating a settlement payment center website, address, and phone number to receive Class Members' inquiries about the Settlement; (6) providing a due diligence declaration for submission to the Court prior to the final approval hearing; (7) printing and providing Settlement Class Members and Plaintiff with W-2 and 1099 forms as required under this Agreement and applicable law; (8) preparing, issuing, and filing any tax returns and information returns and any other filings required by any governmental taxing authority or other governmental agency; and (9) for such other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administration Costs will not exceed $17,750. Settlement Administration Costs will be paid out of the Gross Settlement Amount.

OO. "Settlement Administrator" refers to Phoenix Settlement Administrators.

PP. "Settlement Class" means all Class Members who have not submitted a timely and complete Request for Exclusion.

QQ. "Settlement Class Member" is a person who is a member of the Settlement Class.

III. BACKGROUND

During the Class Period, Defendant operated a business in California. Plaintiff contends that during the Class Period, Defendant did not always comply with California law in its payment of employees. Plaintiff contends that, among other things, employees of Defendant were not paid for all of their work, were not provided with compliant meal and rest breaks, were not paid for all of their overtime work at overtime rates of pay, were not provided compliant wage statements, were not paid all amounts due at separation and were not reimbursed for all of their necessary expenses.

The Parties have undertaken significant investigation and informal discovery during the prosecution of this Action. Such discovery and investigation includes Defendant's

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production and Class Counsel's review of personnel records, policies, and time and pay records and other detailed information relevant to the Class Members' claims. Counsel for the Parties have investigated the law as applied to the facts discovered regarding the alleged claims of the Class and potential defenses thereto, and the potential damages claimed by the Class.

On September 26, 2023, the Parties attended a mediation before an experienced and well-regarded mediator, Jeffrey Krivis, Esq. As a result of the mediation, the Parties reached an agreement regarding the resolution of this Action which is embodied in the terms of this Agreement.

Plaintiff and Class Counsel have concluded, after considering the sharply disputed factual and legal issues involved in this Action, the risks attending further prosecution, and the substantial benefits to be received pursuant to the compromise and settlement of the Action as set forth in this Agreement, that this Settlement is in the best interests of the Representative Plaintiff and the Class and is fair and reasonable.

This Settlement contemplates: (i) entry of an order preliminarily approving the Settlement and approving certification of a Class for settlement purposes only; (ii) dissemination of a notice to Class Members about the settlement; (iii) entry of a Final Approval Order granting final approval of the Settlement; (iv) Defendant's payment of the Gross Settlement Amount; and (iv) entry of a final judgment.

IV. SETTLEMENT APPROVAL AND IMPLEMENTATION PROCEDURE

A. Preliminary Approval of Settlement

Following the execution of this Stipulation by all Parties or at such other time specified by the Court, Class Counsel will submit this Stipulation to the Court as part of Plaintiff's motion for preliminary approval of the settlement. The Parties will use their best efforts to file the motion within 30 days of the filing of the First Amended Complaint. Class Counsel will use their best efforts to reserve a hearing date for the motion within 14 days of filing the First Amended Complaint. Plaintiff's motion for preliminary approval will include such briefing and evidence as may be required for the Court to determine that this Agreement is fair and

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reasonable, as required by California Code of Civil Procedure section 382 and California Rule of Court 3.769. Class Counsel will provide Defendant's Counsel with the opportunity to review and comment on all drafts of all papers to be filed in connection with the motion for preliminary approval (notice of motion, memorandum of points and authorities and declarations) at least three court days before filing such motion with the Court. Plaintiff's motion for preliminary approval will also include a proposed order that is mutually agreed-upon by the Parties. Defendant shall not oppose Plaintiff's motion for preliminary approval of the settlement to the extent it is consistent with the terms and conditions of this Agreement. Defendant may, however, provide a written response to any characterization of the law or facts contained in the motion for preliminary approval.

The Parties have agreed to the certification of the Class for the sole purposes of effectuating this Settlement. Should the Settlement be terminated for any reason, or should the Settlement not be approved by the Court, the fact that the Parties were willing to stipulate to class certification as part of the Settlement will have no bearing on, and will not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in this Action, and in any of those events, Defendant expressly reserves the right to oppose class certification. Additionally, if the Settlement does not become final, this Agreement and all negotiations, court orders, and proceedings related thereto shall be without prejudice to the rights of all Parties, and evidence relating to the Agreement and all negotiations shall not be admissible in the Action or otherwise. The Parties further agree that if, for any reason, the Settlement is not approved, the certification for purposes of this Settlement will have no force or effect and will be immediately revoked.

B. Cooperation

The Parties agree to fully cooperate with each other to accomplish the terms of this Agreement, including but not limited to, execution of such documents and to take such other reasonably necessary actions to implement the terms of this Agreement. No party, nor any of its attorneys or agents, shall solicit or encourage any Class Member to opt out of or object to the Settlement.

C. Notice of Settlement

Within fifteen (15) calendar days following the Court's order granting preliminary approval of the Settlement, Defendant will provide the Settlement Administrator with the Class Data in an electronic format acceptable to the Settlement Administrator. Thereafter, and prior to mailing the Notices of Settlement, the Settlement Administrator shall provide the Class Data, without Class Member names, contact information or social security numbers, to Class Counsel. This information will remain confidential and will not be disclosed to anyone, except as required to applicable taxing authorities, pursuant to Defendant's express written authorization, by order of the Court, or as otherwise provided for in this Agreement.

Using the Class Data, the Settlement Administrator will: (1) confirm the number of Class Members, PAGA Employees, Qualifying Pay Periods and PAGA Pay Periods, (2) finalize, translate into Spanish and print the Notice of Settlement; (3) check all addresses against the National Change of Address database; and (4) within ten (10) calendar days of receiving the Class Data, send to each Class Member via First-Class United States mail an English and a Spanish version of the Notice of Settlement to the most recent address known for each Class Member.

D. Re-Sending Class Notices

If Defendant, Defendant's Counsel or Class Counsel become aware of new addresses for any Class Member, prior to the filing of the motion for final approval, such information must immediately be communicated to the Settlement Administrator. The Settlement Administrator will then re-send a Notice of Settlement to the Class Member(s) at the new address.

For any Notice of Settlement that is returned as undeliverable, the Settlement Administrator will perform a utility database search or other skip trace. The returned Notices of Settlement will be re-mailed to the new addresses obtained for such Class Members. Such searching and re-mailing will be completed within ten (10) calendar days of the date that Notices of Settlement were originally returned as undeliverable.

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E. Requests for Exclusion (Opt-Outs)

Any Class Member who wishes to be excluded from the Settlement must notify the Settlement Administrator in writing of his or her desire to be excluded by submitting his or her own Request for Exclusion to the Settlement Administrator that clearly expresses such desire and is signed by such Class Member. Any such Request for Exclusion shall include the Class Member's name, current address, telephone number, and last four numbers of the Class Member's social security number. To be valid, the Request for Exclusion must be postmarked (if mailed) or received (if faxed or sent electronically) no later than the Response Deadline.

Any Class Member who submits a valid and timely Request for Exclusion shall be barred from participating in this Settlement, shall be barred from objecting to this Settlement, and shall receive no benefit from the Class Settlement. Provided, however, notwithstanding a valid Request for Exclusion, all PAGA Employees shall receive their share of the PAGA Employee Portion and will be deemed to have released the PAGA Released Claims.

Any Class Member who fails to submit a timely, complete, and valid Request for Exclusion shall be barred from opting out of the Settlement. It shall be conclusively presumed that if a Request for Exclusion is not postmarked or received on or before the Response Deadline, the Class Member did not make the request in a timely manner. Under no circumstances shall the Settlement Administrator have the authority to extend the deadline for Class Members to submit a Request for Exclusion.

Unless a Class Member submits a timely, complete, and valid Request for Exclusion, he or she shall be deemed a Settlement Class Member and shall be bound by the terms and conditions of this Agreement. The releases provided for in this Agreement shall conclusively preclude any Settlement Class Member from asserting any of the Released Claims against any of the Released Parties in any judicial, administrative, or arbitral forum.

The Settlement Administrator shall promptly provide Class Counsel and Defendant's Counsel with copies of all Requests for Exclusion that it receives.

F. Declaration of Compliance

At the time determined by Class Counsel, the Settlement Administrator shall provide

Class Counsel and Defendant's Counsel with a declaration attesting to completion of the notice process set forth in this Section IV, including the number of notices sent and returned, an explanation of efforts to resend undeliverable notices, and copies of all Requests for Exclusion, which declaration shall be filed with the Court by Class Counsel along with Plaintiff's papers requesting final approval of the Settlement.

G. Sufficient Notice

Compliance with the procedures described in this Section IV shall constitute due and sufficient notice to Class Members of this Settlement and of the Final Approval Hearing, shall satisfy the requirements of due process, and nothing else shall be required of the Representative Plaintiff, Class Counsel, Defendant, Defendant's Counsel, or the Settlement Administrator to provide notice of the Settlement and the Final Approval Hearing.

H. Objections to Settlement

1. Procedure and Deadline for Objections

A Class Member may object to the Settlement by submitting a written Notice of Objection to the Settlement Administrator, postmarked (if mailed) or received (if faxed or emailed) no later than the Response Deadline, signed by the objecting Class Member or his or her attorney, along with all supporting papers (if any). The date the signed Notice of Objection was postmarked or received shall be conclusively determined according to the records of the Settlement Administrator. The Settlement Administrator shall send any Notices of Objection it receives to Defendant's counsel and Class Counsel within three (3) business days of receipt. A Class Member may also object to the settlement by appearing at the Final Approval Hearing. The Court retains final authority with respect to the consideration and admissibility of any Notice of Objection.

If a Class Member submits both an objection and an opt-out request, the Settlement Administrator shall make reasonable attempts to clarify the intentions of the Class Member. If the Class Member fails to clarify their position, the opt-out request shall be disregarded, the Settlement Administrator shall send the objection to Defendant's Counsel and Class Counsel the claim will be paid, and the Class Member will become a Settlement Class Member and be bound by the judgment.

2. Responses to Objections

Class Counsel and Defendant's counsel shall file any written objections from Class Members submitted to the Settlement Administrator, and Class Counsel's and Defendant's responses to such objections, at least five (5) court days before the Final Approval Hearing.

I. Escalator Clause

If the actual number of Qualifying Pay Periods worked by all Settlement Class Members during the Class Period, as reported to the Settlement Administrator after the Court's preliminary approval of the Settlement, is greater than 71,820, then Defendant shall increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Qualifying Pay Periods above 71,820. For example, if the number of Qualifying Pay Periods is 10% higher than 71,820, i.e., 79,002, the Gross Settlement Amount shall increase by 10%, i.e., by $135,000, from $1,350,000 to $1,485,000.

J. Final Approval Hearing

On or before the date set by the Court, Class Counsel will file a motion for final approval of this Settlement pursuant to California Rule of Court 3.769. Class Counsel will provide Defendant's counsel with the opportunity to review and comment on drafts of all papers to be filed in connection with the motion for final approval (notice of motion, memorandum of points and authorities and declarations) at least three court days before filing such motion with the Court. Plaintiff's motion for final approval will also include a proposed order that is mutually agreed-upon by the Parties. Defendant shall not oppose the motion for final approval of the settlement to the extent it is consistent with the terms and conditions of this Agreement. Defendant may, however, provide a written response to any characterization of the law or facts contained in the motion for final approval.

On the date set by the Court, the Final Approval Hearing shall be held before the Court in order to: (1) determine whether the Court should give this Settlement final approval; (2) determine whether Class Counsel's application for attorneys' fees and costs, and request for the Service Award to the Representative Plaintiff, should be granted; (3) determine whether

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the Court should approve the payment of fees to the Settlement Administrator and the PAGA Settlement Amount and (4) consider any timely Objections to Settlement, including Class Counsel's and Defendant's responses thereto.

Upon final approval, the Court shall enter a Final Approval Order (in a form submitted by Class Counsel and approved by Defendant's counsel) which has the effect of adjudicating all claims set forth in the Complaint and implementing the release of Released Claims and PAGA Released Claims, as set forth in this Agreement. The Final Approval Order will be posted on the Settlement Administrator's website. The posting of the Final Approval Order on the Settlement Administrator's website will constitute notice of entry of the judgment, as required by California Rule of Court 3.771(b).

K. Settlement Payments to Settlement Class Members and PAGA Employees

1. Calculation of Class Settlement Payments

The Net Settlement Amount shall be divided among and distributed to individual Settlement Class Members using the following formula:

(Individual Settlement Class Member's Qualifying Pay Periods ÷ All Settlement Class Members' Qualifying Pay Periods) x (Net Settlement Amount)

The Settlement Administrator shall have the authority and obligation to make payments, credits, and disbursements, including payments and credits in the manner set forth herein, to Settlement Class Members calculated in accordance with the methodology set out in this Agreement and orders of the Court.

The Parties acknowledge and agree that the formula used to calculate individual settlement payments does not imply that all the elements of damages alleged in the Action are not being considered. The above formula was devised as a practical and logistical tool to simplify the settlement process.

2. Distribution of PAGA Employee Portion

The PAGA Employee Portion will be divided among and distributed to all PAGA Employees based upon the number of PAGA Pay Periods they worked pursuant to the following formula:

(Individual PAGA Employee's PAGA Pay Periods ÷ All PAGA Employees' PAGA Pay Periods) x $62,500

Settlement Class Members who are also PAGA Employees will receive their shares of the PAGA Employee Portion included in the same checks that include their individual Settlement Class Member payments. Class Members who exclude themselves from the Class Settlement will still receive their shares, if any, of the PAGA Employee Portion and such Class Members will still be bound by the PAGA Release, notwithstanding their exclusion from the Settlement Class.

3. Inclusion of Qualifying Pay Periods, PAGA Pay Periods and Estimated Settlement Payment Information in Notice of Settlement

The Notice of Settlement sent to each Class Member shall state the amount of the Class Member's Qualifying Pay Periods and PAGA Pay Periods, as reflected in the Class Data. The Notice of Settlement shall provide an estimate of each Class Member's share of the Class settlement and each PAGA Employee's share of the PAGA Employee Portion, as calculated by the Settlement Administrator. The estimated settlement payment included in the Notice of Settlement will be calculated by assuming that no Class Members will be excluded from the Settlement.

4. Eligibility

Settlement Class Members (but not Class Members who exclude themselves from the Settlement), will receive a settlement payment from the Net Settlement Amount, distributed through the Settlement Administrator. All PAGA Employees will still receive a check for their share of the PAGA Employee Portion, regardless of whether they submit a valid Request for Exclusion.

If the Parties become aware after settlement checks are mailed that a Class Member was not sent a Notice of Settlement because of an error in the Class Data as provided by Defendant, Defendant may arrange to separately pay the Class Member the amount that the Class Member would have received had they participated in the settlement, as long as the

Class Member agrees in writing to be bound by the Judgment and Class releases.

5. Disputes about Qualifying Pay Periods or PAGA Pay Periods

If a Class Member disagrees with the number of Qualifying Pay Periods or PAGA Pay Periods, as stated in their Notice of Settlement, they may dispute that figure by informing the Settlement Administrator of the number of Qualifying Pay Periods and/or PAGA Pay Periods that they claim to have worked during the Class Period or PAGA Period and provide any supporting documentation (such as, without limitation, payroll or time keeping records, and paycheck stubs) on or before the Response Deadline. If there is a dispute, the Settlement Administrator will consult with Class Counsel and Defendant's counsel to determine whether an adjustment is warranted. The Settlement Administrator shall determine any such disputes, subject to Court approval. The Settlement Administrator shall be obligated to resolve any such disputes within ten (10) calendar days, but by no later than the date of the Final Approval Hearing.

6. Allocation of Settlement Payments

Payment to each Settlement Class Member shall be allocated as follows: 20% shall be attributed to wages, to be reported on a W-2 form; 80% shall be reported as penalties and interest. The amounts of penalties and interest will be reported on an IRS Form 1099. All payments of the PAGA Employee Portion will be considered penalties and reported on an IRS Form 1099.

7. Payment of Payroll Taxes

The amount paid to each Settlement Class Member attributable to wages shall be subject to all applicable taxes and other withholdings and shall include the Settlement Class Member's share of all federal, state, and local taxes and required withholdings, including without limitation, FICA, Medicare tax, FUTA, and state unemployment taxes. Defendant will separately pay the Employer's Withholding Share, in addition to the Gross Settlement Amount.

8. Payments to Settlement Class Members and the LWDA

As provided in Section IV.N, below, Defendant will pay the Gross Settlement Amount

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in three separate installments. Within ten (10) calendar days after Defendant's deposit of the full Gross Settlement Amount and Employer's Withholding Share, the Settlement Administrator will make the settlement payments to Settlement Class Members, PAGA Employees and the LWDA based on the payment formulae set forth herein.

L. The Settlement Administrator

The Settlement Administrator will perform the duties specified in this Agreement and any other duties incidental to such obligations. The Settlement Administrator's duties shall include, without limitation: establishing the QSF, preparing, translating and distributing the Notice of Settlement; calculating and directing the disbursement of payments to Settlement Class Members, Class Counsel, the Class Representative and the LWDA; calculating and timely paying any and all payroll taxes from the wages portion of the Net Settlement Amount to the appropriate tax authorities, as required under this Agreement and applicable law; handling inquiries about the calculation of individual settlement payments; preparing and filing any tax returns and information returns and any other filings required by any governmental taxing authority or other governmental agency; providing weekly status reports to the Parties' counsel; advising Defendant's counsel and Class Counsel of any Class Members who submit Notices of Objections and/or Requests for Exclusion; providing a due diligence declaration for submission to the Court prior to the final approval hearing; printing and providing Settlement Class Members and Representative Plaintiff with W-2 and 1099 forms as required under this Agreement and applicable law; arranging for and remitting funds from any uncashed settlement payment to the designated recipient, as determined by the Court; and for such other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform.

The Settlement Administrator shall establish a settlement payment center address, telephone number and email address to receive Class Members' inquiries about the Notice of Settlement, requests to be excluded from the Settlement and settlement payments.

In addition, the Settlement Administrator shall establish a static website and, on the website, post this stipulation, any preliminary approval order and the Final Approval Order

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and Judgment. Posting of the Final Approval Order and Judgment on such website shall constitute notice of judgment to the Settlement Class, as required by California Rule of Court 3.771(b).

For its services, the Settlement Administrator's fee will not exceed $17,750. The Court's failure to approve the entire amount of the Settlement Administrator's fee, shall not affect the terms of the Parties' settlement and any such unapproved amounts shall remain part of the Net Settlement Amount and shall be distributed in accordance with the provisions of this Stipulation.

The Parties confirm, and Class Counsel and Defendant's Counsel confirm that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

M. Time for Payment by Defendant

Defendant will pay the Gross Settlement Amount in three installments as follows.

First Payment of one-third of the Gross Settlement Amount within 30 days of entry of the Final Approval Order;

Second Payment of one-third of the Gross Settlement Amount within six months after the First Payment is due; and

Third Payment of one-third of the Gross Settlement Amount plus the Employer's Withholding Share within six months after the Second Payment is due.

If Defendant fails to timely pay the amount required to satisfy any or all of the forgoing payment obligations, the Representative Plaintiff, at her option, may either (1) declare the Settlement terminated, in which case, the Parties agree that the Court will nullify the Final Approval Order and Judgment and Plaintiff may continue to prosecute her claims against Defendant, or (2) seek to collect all amounts owed under the Final Approval Order and Judgment against Defendant.

N. Defendant's Production of Financial Records

If required by the Court, Defendant agrees to provide a declaration to support the financial terms of the settlement within twenty (20) days after the Court's request, so the Court

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can verify whether the payment plan or the financial terms of the settlement is/are warranted. The declaration must be detailed, under oath, and include statements regarding Defendant inability to fund the settlement without the payment plan, and it is unable to fund a greater settlement without substantial hardship to operations.

O. Payments to Class Counsel, the Representative Plaintiff and the Settlement Administrator

Subject to Court approval, within ten (10) calendar days of Defendant's deposit of the full Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator shall make payment from the QSF to: (1) Class Counsel, for Class Counsel's Attorneys' Fees and Class Counsel's Costs, as approved by the Court; (2) the Representative Plaintiff for the Service Award, as approved by the Court; and (3) to the Settlement Administrator for the Settlement Administration Costs, as approved by the Court. These payments will be reported on an IRS Form 1099.

P. Un-cashed/Un-deposited Settlement Payment Checks

If any Settlement Class Member or PAGA Employee's settlement payment check has not been cashed or deposited within sixty (60) calendar days after disbursement, the Settlement Administrator shall attempt to contact each individual to advise them to cash their checks, and to offer to replace any checks reported as either lost or stolen. In attempting to contact such persons, the Settlement Administrator will send notices (1) by mail to the individuals' last known addresses (as provided by Defendant) after first checking those addresses against the NCOA database and skip tracing and (2) by telephoning or emailing such persons, in the event that Defendant has provided telephone numbers and/or email addresses for such persons.

If a Class Member's check is not cashed within 180 calendar days, the check will be void and a stop payment order may be placed on the check. In such event, the Settlement nevertheless will be binding upon the Settlement Class Member. The funds represented by all uncashed settlement checks, plus interest thereon, will be transmitted by the Settlement Administrator to the following *cy pres* recipient: Katherine and George Alexander Law Center

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at Santa Clara University School of Law, 500 El Camino Real, Santa Clara, CA 95053. The Center provides pro bono legal representation to low-income individuals in the areas of consumer law, immigration law, workers' rights and certain tax-related matters, and helps low-income individuals understand and enforce their legal rights.

Q. Class Counsel Attorneys' Fees and Costs

Defendant will not oppose Class Counsel's application for an award of attorneys' fees of up to 35% of the Gross Settlement Amount. Assuming the Escalator Clause is not triggered, the maximum amount sought will be Four Hundred and Seventy-Two Thousand and Five Hundred Dollars ($472,500).

Defendant will not oppose Class Counsel's application for an award of their reasonable litigation expenses and costs in an amount not to exceed $30,000.

Class Counsel's Attorney's Fees and Class Counsel's Costs, as awarded by the Court, shall be paid from the Gross Settlement Amount.

To the extent the Court does not approve any or the entire amount of Class Counsel's Attorney's Fees or Class Counsel's Costs, it shall not affect the terms of the Parties' settlement and any such unapproved amounts shall remain part of the Net Settlement Amount and shall be distributed in accordance with the provisions of this Stipulation. Approval of the Settlement by the Court shall not be contingent on approval of the amounts of Class Counsel's Attorney's Fees or Class Counsel's Costs requested by Class Counsel.

Upon the payment of the Court-approved amount of Class Counsel's Attorneys' Fees and Class Counsel's Costs, and except as otherwise provided by this Stipulation, Class Counsel waives any claim to costs and attorneys' fees and expenses against Defendant arising from or related to the Action, including but not limited to claims based on the California Labor Code, the California Code of Civil Procedure, or any other statute or law. Provided, however, nothing in this Agreement shall prevent Class Counsel from seeking additional fees for enforcing the terms of this Stipulation.

R. Service Award to Representative Plaintiff

The Representative Plaintiff's Service Award as approved by the Court, shall be paid

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from the Gross Settlement Amount.

The Representative Plaintiff shall be responsible for all portions of federal, state, and local tax liabilities that may result from the payment of the Service Award and agrees that Defendant shall bear no responsibility for any such tax liabilities.

To the extent the Court does not approve any or all of the amount of the Service Award sought by the Representative Plaintiff, any amounts not awarded by the Court will remain part of the Net Settlement Amount and will be distributed in accordance with the terms of this Stipulation and the Parties agree that the Settlement shall remain binding with such modification(s) and its terms will otherwise be unchanged.

S. Taxes

1. Withholding and Reporting Requirements

The Settlement Administrator shall be responsible for ensuring that all taxes required to be withheld from the wage portions of each Settlement Class Member's individual settlement payment, along with the Employer's Withholding Share, are timely paid to the appropriate tax authorities. The Settlement Administrator's responsibilities in this regard will also include the following: (a) filing all Federal, state, and local employment tax returns, tax withholding returns, and any other tax returns associated with the taxes, (b) timely and proper filing of all required Federal, state, and local information returns (e.g., 1099s, W-2s, etc.) with the appropriate taxing authorities, and (c) completion of any other steps necessary for compliance with any tax obligations of the settlement fund under Federal, state and/or local law. To verify the Settlement Administrator's compliance with the foregoing withholding and reporting requirements, as soon as administratively practicable, the Settlement Administrator shall, upon request, furnish Class Counsel and Defendant's Counsel with copies of all filed tax returns and information returns (including all 1099 and W-2 information returns), and a final accounting adequate to demonstrate full compliance with all tax withholding, payment and reporting obligations.

2. Circular 230 Disclaimer

Each party to this Agreement (for purposes of this section, the "Acknowledging

Party"; and each party to this Agreement other than the Acknowledging Party, and "Other Party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the Acknowledging Party (a) has relied exclusively upon his, her, or its own, independent legal and tax advisers for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the Acknowledging Party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

T. Defendant's Right to Terminate the Settlement

If more than ten percent (10%) of Class Members opt out of the Settlement, Defendant shall have the option to cancel the Settlement, subject to paying the Settlement Administrator its reasonable expenses incurred up to the date of cancellation. Defendant must make this election within two weeks after Defendant's Counsel is advised by the Settlement Administrator that the 10% opt-out threshold has been reached.

V. LIMITATIONS ON USE OF THIS SETTLEMENT

A. No Admission of Liability

Neither the acceptance nor the performance by Defendant of the terms of this Stipulation nor any of the related negotiations or proceedings is or shall be claimed to be, construed as, or deemed a precedent or an admission by Defendant of the truth or merit of any allegations in the original Complaint or First Amended Complaint, or that they have any

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liability to the Representative Plaintiff or the Class Members on their claims. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims.

B. Nullification

In the event that the Court does not approve the Settlement in accordance with this Stipulation, the Parties agree to negotiate in good faith to resolve any issues raised by the Court and amend this Stipulation to obtain Court approval of the Settlement. However, if, after a good faith effort to resolve any issues, the Court for any reason does not approve this Settlement, this Stipulation shall be null and void and all Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court.

C. Confidentiality

The Parties and their counsel agree to keep the terms of the Settlement confidential until the filing of Plaintiff's motion for preliminary approval of the Settlement. Any confidentiality associated with the terms of this Settlement shall expire upon the filing of the motion for preliminary approval with the Court, except that the negotiations and discussions preceding submission of the Settlement to the Court for preliminary approval shall remain strictly confidential, unless otherwise agreed to by the Parties or unless otherwise ordered by the Court. Plaintiff and Class Counsel agree not to issue a press release, or post anything on a website or any form of social media, or to advertise any terms of the Settlement through written, recorded or other electronic communications. Plaintiff and Class Counsel further agree that if contacted by press regarding this case, they will only state that the Action exists and has been resolved. This provision shall not prohibit Class Counsel or counsel for Defendant from communicating with Class Members or the Court regarding the Settlement, consistent with legal and ethical obligations.

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VI. RELEASE

A. Settlement Class Member Release

It is the desire of the Representative Plaintiff, Class Members (except those who exclude themselves from the Settlement), and Defendant to fully, finally, and forever settle, compromise, and discharge the Released Claims. Upon entry of the Final Approval Order and Judgment and Defendant's payment of the Gross Settlement Amount and Employer's Withholding Share, and except as to such rights or claims as may be created by this Settlement Agreement, the Settlement Class Members, on behalf of themselves, and each of their heirs, representatives, successors, assigns, and attorneys, shall be deemed to have, and by operation of the final judgment shall have, fully released and discharged the Released Parties from any and all Released Claims that accrued during the Class Period.

B. PAGA Employee Release

Regardless of whether they submitted a valid Request for Exclusion, all PAGA Employees and the LWDA shall fully, finally, and forever settle, compromise, and discharge the PAGA Released Claims. Upon entry of the Final Approval Order and Judgment and Defendant's payment of the Gross Settlement Amount, and except as to such rights or claims as may be created by this Settlement Agreement, all PAGA Employees, on behalf of themselves, and each of their heirs, representatives, successors, assigns, and attorneys, shall be deemed to have, and by operation of the final judgment shall have, fully released and discharged the Released Parties from any and all PAGA Released Claims arising during the PAGA Period.

C. Release by Representative Plaintiff

1. Representative Plaintiff does hereby, for herself and her spouse, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assigns, forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil

penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Stipulation, whether known or unknown, suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating to Representative Plaintiffs' employment with Defendant or the remuneration for or termination of such employment (the "Representative Plaintiffs' Claims").

2. Without limiting the generality of the foregoing, this general release by Representative Plaintiff includes all federal, state and local statutory claims, federal and state common law claims (including but not limited to those for contract, tort and equity), including without limitation any claims for breach of any implied or express contract or covenant; claims for promissory estoppel; claims of entitlement to any pay; claims of wrongful denial of insurance and employee benefits (except workers' compensation benefits); claims for failure to hire, public policy violations, defamation, invasion of privacy, fraud, misrepresentation, emotional distress, assault/battery, or other common law or tort matters; claims of harassment, retaliation or discrimination based on age, race, color, religion, sex, national origin, ancestry, physical or mental disability, protected activity, medical condition, marital status, sexual preference, union activity, or veteran status; claims under the Americans with Disabilities Act, Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964 (as amended), the Civil Rights Act of 1991;42 USC sec. 1981, 42 USC sec. 1983, the Older Workers Benefit Protection Act, the Family and Medical Leave Act; claims for unfair competition; claims based on legal restrictions on Defendant's right to terminate, not to hire or promote employees, or to change an employee's compensation; and claims based on any federal, state or other governmental statute, regulation or ordinance, all statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs or expenses, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, or any other claims arising under the Fair Labor Standards Act, the Employment Retirement Security Income Act of 1974, the California Constitution, the California Fair Employment and Housing Act, the California Unfair Competition Act

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(California Business and Professions Code section 17200 et seq.), the California Labor Code, or Industrial Welfare Commission Wage Orders, or arising out of or based upon the following categories of allegations regardless of the forum in which they may be brought, to the fullest extent such claims are releasable by law: (i) all claims for unpaid overtime; (ii) all claims for unpaid minimum wages; (iii) all claims for meal break violations; (iv) all claims for rest period violations; (v) all claims for the failure to timely pay wages upon termination; (vi) all claims for the failure to timely pay wages during employment; (vii) all claims for wage statement violations; (viii) all claims for reporting time pay; and (ix) all other penalties recoverable for such claims under PAGA.

3. Representative Plaintiff expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT 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.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Representative Plaintiff expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims that Representative Plaintiffs knew of, as well as all claims that they do not know or suspect to exist in their favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Agreement, and that this Agreement contemplates the extinguishment of any such Representative Plaintiffs' claims. Notwithstanding the above, the general release by Representative Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

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VII. MISCELLANEOUS PROVISIONS

A. Amendments

This Settlement Agreement may only be modified or changed by a writing signed by the Parties hereto or by their counsel and approved by the Court.

B. Integrated Agreement

After this Stipulation is signed and delivered by all Parties to the Action and their counsel, this Stipulation and its exhibits will constitute the entire agreement between the Parties to the Action relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Stipulation or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Stipulation and its exhibits.

C. No Inducements

The Parties acknowledge that they are entering into this Agreement as a free and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever and that neither Plaintiff nor Defendant have relied on any promises, representations, or warranties regarding the subject matter hereof other than as set forth in this Stipulation.

D. No Prior Assignment

The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

E. No Retaliation or Advice

Defendant agrees not to retaliate against any Class Member for participating in the Settlement or cooperating with Class Counsel, and Defendant will not induce or offer any advice to any current or former employee to opt out of, or object to, the Settlement.

F. Attorney's Fees

To the extent that any Party institutes any legal action, arbitration, or other proceeding to enforce the terms of the Settlement, the prevailing Party will be entitled to recover their

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reasonable attorneys' fees and costs from the other Party or Parties.

G. Applicable Law

All terms and conditions of this Stipulation and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

H. Entry of Judgment Pursuant to Terms of Settlement

The Parties agree that upon the Settlement of this case, the Court may enter judgment pursuant to the terms of this Settlement and specifying the Gross Settlement Amount. The Court will retain jurisdiction over the Parties to enforce the Settlement until performance in full of the terms of the Settlement.

I. Notices

All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered personally or by first class mail to Class Counsel or Defendant's Counsel at their respective addresses as set forth at the beginning of this Agreement or at any new address as to which counsel have advised the Court and the other Parties.

J. Binding on Successors

This Agreement shall be binding and shall inure to the benefit of the Parties to the Action and their respective successors, assigns, executors, administrators, heirs, and legal representatives.

K. Counterparts

This Stipulation, and any amendments hereto, may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which taken together shall constitute the same instrument.

L. Warranties and Representations

With respect to themselves, each of the Parties to this Action and or their agent or counsel represents, covenants, and warrants that they have full power and authority to enter into and consummate all transactions contemplated by this Stipulation and have duly

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authorized the execution, delivery, and performance of this Stipulation.

M. Representation by Counsel

The Parties to this Action acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Stipulation, and that this Stipulation has been executed with the consent and advice of counsel.

N. Signatories

It is agreed that because the Class Members are so numerous, it is impossible or impractical to have each Class Member execute this Stipulation. The Notice of Settlement will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation was executed by each member of the Settlement Class.

BY SIGNING BELOW, THE PARTIES AGREE TO THIS STIPULATION AND ITS TERMS:

Dated:_____________

Plaintiff Juanita Castellon

Dated: 3/21/25

DocuSigned by:
Tom McGovern
47EE6EE2F26741A...

Hope Services
Tom McGovern, Board Chair

Dated: 3/21/25

Signed by:
Daniel Burns
B4FD9D3DA236477...

Hope Services
Daniel Burns, VP Human Resources

Approved as to form:

Dated: 3/21/25

LAYTON LAW FIRM

By: Rona Layton
Rona Layton
Attorneys for Defendant

authorized the execution, delivery, and performance of this Stipulation.

M. Representation by Counsel

The Parties to this Action acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Stipulation, and that this Stipulation has been executed with the consent and advice of counsel.

N. Signatories

It is agreed that because the Class Members are so numerous, it is impossible or impractical to have each Class Member execute this Stipulation. The Notice of Settlement will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation was executed by each member of the Settlement Class.

BY SIGNING BELOW, THE PARTIES AGREE TO THIS STIPULATION AND ITS TERMS:

Dated: 03/17/2025

Electronically Signed 2025-03-18 00:01:57 UTC - 208.56.25.75
Nintex AssureSign®

Plaintiff Juanita Castellon

Dated: ______________

____
Hope Services
Tom McGovern, Board Chair

Dated: ______________

____
Hope Services
Daniel Burns, VP Human Resources

Approved as to form:

Dated: ______________

LAYTON LAW FIRM

By: ______________________________
Rona Layton
Attorneys for Defendant

Dated: March 4, 2025

GUNDZIK GUNDZIK HEEGER LLP

By: ______________________

Aaron Gundzik
Attorney for Plaintiff

Dated: March 17, 2024

LAWYERS FOR JUSTICE, PC

By: ______________________

Edwin Aiwazian
Joanna Ghosh
Elizabeth Parker-Fawley
Attorney for Plaintiff

Docusign Envelope ID: 1444533B-7C9D-4313-94AF-BA129B6FD13E

EXHIBIT A

(Notice of Settlement)

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL

Castellon v. Hope Services, Santa Clara County Superior Court Case No. 20CV371692

If you have been employed in California by HOPE SERVICES as a non-exempt employee, you may be entitled to receive money from a class action settlement.

The Santa Clara County Superior Court authorized this notice.
This is not a solicitation from a lawyer.

THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.

You are receiving this Notice because the Santa Clara County Superior Court has preliminarily approved a proposed settlement in a class action filed on behalf of all non-exempt employees who worked for Hope Services ("Defendant" or "Hope Services") in California during the Class Period [(________, through preliminary approval)]. A hearing to determine whether the settlement should receive the Court's final approval will be held on ________ at ____.m. in Department 19 of the Santa Clara County Superior Court, which is located at 191 North First Street, San Jose, CA 95113.

This Notice explains the proposed settlement and provides an estimate of how much money you will receive as a settlement payment if you do not exclude yourself from the settlement. If you do not want to be part of the settlement class, then you must submit a Request for Exclusion (described in Section 9, below) no later than [60 days from mailing] otherwise you will be bound by the terms of the settlement, including the release of certain claims that you may have against Hope Services, as described in Section 8 of this Notice.

1. PURPOSE OF THIS NOTICE

The Court has ordered that this Notice be sent to you because you have been identified as a member of the class by Defendant's records. The purpose of this notice is to provide you with information about the lawsuit and the proposed settlement and to advise you of your options.

2. PERSON ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT

The people eligible to receive a settlement payment are all hourly-paid or non-exempt employees who worked for Hope Services in California at any time from [________, through preliminary approval]. You are receiving this notice because, according to Hope Services' records, you may be eligible to participate in the settlement.

3. DESCRIPTION OF THE ACTION

A former employee of Hope Services filed a class action against Hope Services in the Santa Clara County Superior Court. The case is called *Castellon v. Hope Services,* Santa Clara County Superior Court Case No. 20CV371692 (the "Action"). The Action alleges that Plaintiff and other hourly-paid or non-exempt employees of Hope Services were, among other things, not paid for all of their work, not paid all overtime wages owed, not provided with compliant meal and rest breaks, not provided compliant wage statements, not reimbursed for their necessary expenditures, and were not paid all amounts due at separation. Based on these facts and others, Plaintiffs' First Amended Complaint alleges causes of action for: (1) Violation of California Labor Code sections 510 and 1198 (unpaid overtime); (2) Violation of California Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) Violation of California Labor Code section 226.7 (unpaid rest period premiums); (4) Violation of California Labor Code sections 1194, 1197 and 1197.1 (unpaid minimum wages); (5) Violation of California Labor Code sections 201 and 202 (final wages not timely paid); (6) Violation of California Labor Code section 204 (wages not timely paid during employment); (7) Violation of California Labor Code section 226(a) (non-compliant wage statements); (8) Violation of California Labor Code section 1174(d) (failure to keep requisite employment records); (9) Violation of California Labor Code sections 2800 and 2802 (unreimbursed business expenses); (10) Violation of California Business & Professions Code sections 17200, et seq.; and (11) Violation of California Labor Code sections 2698, et seq. (California Labor Code Private Attorneys General Act of 2004).

Hope Services denies all liability, denies all allegations in the Action, and has raised various defenses to the claims. Hope Services asserts that it fully complied with all applicable wage and hour laws and contends that civil penalties under PAGA are not warranted. Hope Services also denies that the Action is suitable for class certification. Hope Services has entered into the Settlement solely for purposes of resolving this dispute to avoid costly, disruptive, and time-consuming litigation and does not admit to any wrongdoing or liability.

The Court has made no ruling on the merits of the alleged claims, or the defenses asserted by Hope Services. The Court has preliminarily approved the proposed settlement. The Court will decide whether to give final approval to the settlement at a hearing scheduled for ________, 2025 at _____ __.m. (the "Final Approval Hearing").

4. WHO ARE THE ATTORNEYS REPRESENTING THE CLASS?

Attorneys representing Plaintiff and the class ("Class Counsel") are:

Edwin Aiwazian Arby Aiwazian Joanna Ghosh Elizabeth Parker-Fawley LAWYERS for JUSTICE, PC 450 North Brand Blvd., Suite 900 Glendale, CA 91203 Tel: (818) 265-1020 / Fax: (818) 265-1021	Aaron C. Gundzik Aaron.gundzik@gghllp.com Rebecca Gundzik Rebecca.gundzik@gghllp.com GUNDZIK GUNDZIK HEEGER LLP 3415 S Sepulveda Blvd, Ste 420 Los Angeles, CA 90034 Tel: (818) 290-7461

5. THE TERMS OF THE PROPOSED SETTLEMENT

The following is a summary of the settlement. The specific and complete terms of the proposed Settlement are stated in the Stipulation of Class Action and PAGA Settlement ("Settlement Agreement"), a copy of which is filed with the Court. You can obtain a copy of the Settlement Agreement from the Settlement Administrator or review it on the following website: www.__________.

Hope Services has agreed to pay $1,350,000 to settle any and all obligations for the claims alleged in the Action. This amount is called the Settlement Sum. As discussed below, the Settlement Sum will be used to cover all payments to the Settlement Class, Settlement Administration Costs, Class Counsel's Attorneys' Fees and Costs, Service Award to the Plaintiff, and funds owed to the state of California and the PAGA Employees in settlement of the PAGA claims for penalties. The remaining amount (called the Net Settlement Amount), approximately $569,250, will be distributed to class members who do not timely submit Requests for Exclusion, as discussed below.

(a) <u>Attorneys' Fees and Costs</u>: Class Counsel has worked on this matter without compensation and has advanced funds to pay for expenses necessary to prosecute the Action. Accordingly, under the settlement, Class Counsel may request an amount not to exceed $472,500 to compensate them for their work on the case, plus their reasonable and actual costs and expenses incurred in the litigation, not to exceed $30,000. Subject to court approval, the attorneys' fees and costs will be deducted from the Settlement Sum.

(b) <u>Service Award to the Plaintiff</u>: The Plaintiff is requesting an award not to exceed $10,500, in addition to the amount she will receive as a member of the class and as PAGA Employee, to compensate her for undergoing the burden and expense of prosecuting the action. Subject to court approval, the service award will be deducted from the Settlement Sum.

(c) <u>Settlement Administration Costs</u>: The Settlement Administrator, Phoenix Settlement Administrators has advised the parties that the Settlement Administration Costs will not exceed $17,750. Subject to court approval, the Settlement Administration Costs will be deducted from the Settlement Sum.

(d) Payments for PAGA Penalties: Subject to the Court's approval, a total of $250,000 will be deducted from the Settlement Sum and allocated to settle allegations that Hope Services owes penalties to the state for alleged violations of the California Labor Code. Of this amount, $187,500 (75%) will be paid to the California Labor & Workforce Development Agency ("LWDA"). The other 25%, which is $62,500, will be distributed to non-exempt employees who worked for Hope Services at any time during the PAGA Period, which is from October 5, 2019, through [**preliminary approval**]. ("PAGA Employees"). Each PAGA Employee's portion of the $62,500 in penalties will be calculated by dividing the individual's number of PAGA Pay Periods by the total number of PAGA Pay Periods for all PAGA Employees, then multiplying the resulting fraction by $62,500. A PAGA Pay Period is a pay period during the PAGA Period in which the PAGA Employee received a wage statement.

(e) Payments to Settlement Class Members: The remainder of the Settlement Sum (called the Net Settlement Amount) will be distributed to class members who do not exclude themselves from the settlement (called Settlement Class Members). The amount of each Settlement Class Member's share of the Net Settlement Amount will be calculated by dividing the total number of qualifying pay periods worked by the Class Member during the Class Period by the total number of qualifying pay periods worked by all of the Class Members during the Class Period and multiplying that fraction by the Net Settlement Amount. A qualifying pay period is a full or partial week that a class member worked for Hope Services for at least one day during the Class Period.

6. WHAT YOU WILL RECEIVE UNDER THE SETTLEMENT

According to Hope Services' records, you worked a total of __ qualifying pay periods during the Class Period as a Class Member. Hope Services' records also show that you received a total of ___ pay checks during the PAGA Period. Based upon this information, under the settlement, you will receive approximately $______ (less withholding) as your individual Class settlement payment and approximately $______ as your individual PAGA payment. This amount may increase or decrease based on various factors, including the number of class members who submit Requests for Exclusion, the amounts approved by the Court for attorneys' fees and costs, settlement administration costs, the service award to Plaintiff, payment to the LWDA, and disputes by other class members regarding their qualifying pay periods during the Class Period.

To receive your settlement payment, you do not need to do anything. You will receive a settlement payment unless you exclude yourself from the settlement.

7. PAYMENT SCHEDULE

Hope Services will pay the Settlement Sum in three separate payments. The last such payment is due approximately thirteen months after the settlement is finally approved by the Court. Within ten days after the last payment is made, the Settlement Administrator will send out settlement checks to class members. You will have 180 days after the Settlement Administrator mails your settlement check to cash it; otherwise, it will be voided and the amount of your settlement payment will be sent to the Katherine and George Alexander Law Clinic at the Santa Clara School of Law, and you will not receive any further payment as a result of the settlement.

For tax purposes, your Class settlement payment will be considered 20% as wages and reported on a W-2 form. Applicable employment taxes and fees will be deducted from the wage portion of your settlement payment. The other 80% of your class settlement payment will be considered as penalties and interest. These amounts will be reported on an IRS Form 1099. If you are also a PAGA Employee, your share of the PAGA Amount will be deemed penalties and reported on an IRS Form 1099. Nothing in this Notice should be construed as providing you with tax advice. You should consult with your tax advisor concerning the tax consequences of the payment you receive.

8. RELEASE OF CLAIMS

A. Release by Class Members who do not exclude themselves from the Settlement.

Unless you submit a valid Request for Exclusion (described below in Section 9), you will release (a) Hope Services, (b) each of its respective parent companies, subsidiaries, child companies, divisions, affiliates, related companies, common

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ownership entities, and co-employers through operation of law or otherwise, and (c) the current, former, and/or future shareholders, board members, directors, officers, managers, employees, agents, representatives, attorneys, insurers, reinsurers, partners, donors, investors, lenders, administrators, predecessors, successors, assigns, and joint ventures of each (a) and (b), collectively, and individually, from all claims, causes of action and factual or legal theories arising during the Class Period, that were alleged or asserted in the Action, or that could have been alleged or asserted based on the facts and legal theories contained in the Complaint, specifically including but not limited to causes of action for: (i) failure to provide meal periods (Labor Code §§ 226.7, 512, and 1198); (ii) failure to provide rest periods (Labor Code §§ 226.7 and 1198); (iii) failure to pay minimum and overtime wages (Labor Code §§ 510, 1194, 1197, 1197.1 and 1198); (iv) failure to comply with itemized employee wage statement requirements (Labor Code §§ 226 and 1174); (v) failure to pay all wages upon termination (Labor Code §§ 201, 202, 203); (vi) violation of Labor Code § 2802; (vii) failure to timely pay wages during employment (Labor Code § 204); and (viii) violation of Business & Professions Code §§ 17200, which are premised on the violations described above.

B. Release by PAGA Employees.

All PAGA Employees, regardless of whether a request for exclusion from the Class settlement is submitted, will receive a payment that is their share of the PAGA Employee Portion and will release (a) Hope Services, (b) each of its respective parent companies, subsidiaries, child companies, divisions, affiliates, related companies, common ownership entities, and co-employers through operation of law or otherwise, and (c) the current, former, and/or future shareholders, board members, directors, officers, managers, employees, agents, representatives, attorneys, insurers, reinsurers, partners, donors, investors, lenders, administrators, predecessors, successors, assigns, and joint ventures of each (a) and (b), collectively, and individually, from all claims, causes of action, and factual or legal theories arising during the PAGA Period, against the Released Parties (as defined below) for civil penalties under the California Labor Code Private Attorneys General Act of 2004 predicated on any of the alleged violations of the California Labor Code, Industrial Welfare Commission Wage Orders, regulations, and/or other provisions of law that were alleged or asserted in the Lawsuit or any PAGA notice(s) filed by the Plaintiff, or that reasonably could have been asserted in the Lawsuit or any PAGA notice(s) filed by the Plaintiff based on the facts or allegations therein.

9. YOUR OPTIONS

As a member of the class, you have several options. Each option will affect your rights, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below:

(a) You Can Do Nothing.

If you do nothing, you will remain a member of the Settlement Class and will receive a settlement payment. You will also be bound by the release of claims set forth in Section 8(A) above. The payment will remain valid and negotiable for one hundred eighty (180) days from the date of the issuance. This deadline to cash the payment check shall not be extended for you, absent Court Order.

(b) You Can Contest the Calculation of Your Settlement Payment as Stated in this Notice.

You can contest the number of qualifying pay periods attributed to you in Section 6 above. To do so, you must provide the Settlement Administrator with a written explanation of your position. The statement must also include your full name, current address and telephone number, and must identify this case (*Castellon v. Hope Services, Santa Clara County Superior Court Case No. 20CV371692*). You should provide written documentation supporting the number of pay periods you believe that you worked. You must postmark your written statement no later than [**60 days from mailing**]. The Settlement Administrator will consider your dispute and any documentation you submit and will communicate with you and the parties as necessary regarding the dispute to determine whether an adjustment is warranted before making a final determination regarding your settlement payment. The Settlement Administrator will notify you of its final determination.

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(c) You Can Exclude Yourself from the Settlement Class.

If you do not want to be a member of the Settlement Class, you can request exclusion (i.e., opt out) by sending the Settlement Administrator a written Request for Exclusion at the address specified in Section 11 below. The deadline to postmark a Request for Exclusion is **[60 days from mailing]**. A Request for Exclusion is a written statement that unambiguously requests exclusion from the settlement class. The Request for Exclusion must include the case name (*Castellon v. Hope Services, Santa Clara County Superior Court Case No. 20CV371692*), your name, current address and telephone number, and the last four digits of your social security number (for verification purposes). You must also sign the Request for Exclusion. You should keep a copy of your Request for Exclusion. Moreover, to demonstrate receipt by the Settlement Administrator, you may elect to send your Request for Exclusion via certified mail. Requests for Exclusion that do not include all required information, or that are not postmarked on or before **[60 days from mailing]**, will not be valid.

If you submit a valid and timely Request for Exclusion, you will not be bound by the settlement or the release of claims in Section 8(A) above; however, you will not receive the individual Class payment referenced in section 6 of this Notice. You will also be barred from objecting to this Settlement. By opting out of the Settlement Class, you will retain whatever rights or claims you may have against Hope Services.

Please note, however, that the submission of a Request for Exclusion will not exclude you from the PAGA Settlement. Thus, if you worked for Hope Services at any time from October 5, 2019, through **[preliminary approval]**, you will still receive your portion of the PAGA Amount, and you will be bound by the more limited release set forth in section 8(B).

If you do not submit a timely and valid Request for Exclusion from the settlement class by the deadline specified above, then you will be bound by all terms and conditions of the Settlement, if it is granted final approval by the Court, including the Release of Claims, and you will receive a settlement payment.

(d) You Can Object to the Settlement.

If you do not submit a Request for Exclusion from the Settlement, you may object to the Settlement in writing. You may also appear at the Final Approval Hearing at your expense, either in person, telephonically, or through an attorney, provided you notify the Court of your intention to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Castellon v. Hope Services, Santa Clara County Superior Court Case No. 20CV371692*), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to Class Counsel and Defense counsel, as identified in section 4, above; and (d) be filed or postmarked on or before **[60 days from mailing]**.

If you object to the Settlement and if the Court approves the Settlement notwithstanding your objections, you will be bound by the terms of the Settlement and be deemed to have released all of the Released Claims as set forth in Section 8 above, and you will not be permitted to file a Request for Exclusion.

10. FINAL APPROVAL HEARING ON PROPOSED SETTLEMENT

The Final Approval Hearing on the fairness and adequacy of the proposed settlement, the plan of distribution, the Service Award to the Plaintiff, and Class Counsel's Attorneys' Fees and Costs, and other issues will be held on ________, 2025 at __ __.m., in Department 19 of the Santa Clara County Superior Court, 191 North First Street, San Jose, CA 95113. The Final Approval Hearing may be continued to another date without further notice. If you plan to attend the Final Approval Hearing, it is recommended that you contact the Settlement Administrator to confirm the date and time. You have the option to attend the Final Approval Hearing by telephone.

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11. ADDITIONAL INFORMATION.

This Notice only summarizes the lawsuit and settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which is on file with the Clerk of the Court. The pleadings and other records in this litigation, including the Settlement Agreement, may be examined (a) online on the Superior Court of California, County of Santa Clara's Electronic Filing and Service Website at www.scefiling.org, or (b) in person at Records, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator.

You may also review the settlement agreement and other documents on-line at www._____ or you may contact the Settlement Administrator as follows:

[insert administrator contact information]

You may also contact Class Counsel at the addresses and telephone numbers provided in Section 4 above. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

IT IS IMPORTANT THAT YOU NOTIFY THE SETTLEMENT ADMINISTRATOR IMMEDIATELY IF YOU HAVE A CHANGE OF ADDRESS

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE