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Attorneys for Plaintiffs

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF YOLO**

IGNACIO PEREZ, and LISZANDRA
PADILLA, individually, and on behalf of
other members of the general public similarly
situated; and KAREN RIOS, individually, and
on behalf of other members of the general
public similarly situated, and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys' General Act,

Plaintiffs,

vs.

COMMUNICARE HEALTH CENTERS, a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: CV-2019-469

Honorable Daniel M. Wolk
Department 9

CLASS ACTION

**DECLARATION OF ANNABEL
BLANCHARD IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

[Plaintiffs' Motion for Preliminary Approval of
Class Action Settlement; Declarations of
Proposed Class Representatives (Ignacio Perez,
Lizandra Padilla, and Karen Rios); and
[Proposed] Order filed concurrently herewith]

Date: November 30, 2022
Time: 9:00 a.m.
Department: 9

Complaint Filed: March 7, 2019
FAC Filed: June 4, 2019
SAC Filed: September 5, 2019
TAC Filed: December 12, 2019
FAC Filed: June 28, 2022
Trial Date: None Set

DECLARATION OF ANNABEL BLANCHARD

I, Annabel Blanchard, 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 Plaintiffs Ignacio Perez, Lizsandra Padilla, and Karen Rios (“Plaintiffs”). 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. Since October 2008, 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 a dozen 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. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff in connection with the resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

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

1 Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA
2 Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University.
3 From approximately September 2002 to approximately December 2002, he served as a Judicial
4 Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the
5 Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a
6 Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
7 Appellate District. In December of 2004, he obtained a license to practice law from the California
8 State Bar. From approximately December 2004 to approximately August 2008, he was employed
9 by Girardi & Keese. At Girardi & Keese, his practice focused on class actions and other complex
10 cases involving toxic torts and products liability. In addition, he gained substantial experience on
11 cases involving insurance bad faith, premises liability, and medical negligence. While employed
12 by Girardi & Keese, he argued approximately one hundred (100) motions, took or defended
13 approximately one hundred fifty (150) depositions, and prepared dozens of expert witnesses for
14 deposition or trial. Since in or around October of 2008, through his work at Lawyers *for* Justice,
15 PC, he has almost exclusively focused on the prosecution of consumer and employment class
16 actions, involving wage-and-hour claims, race discrimination, unfair business practices, or
17 consumer fraud. While employed by Lawyers *for* Justice PC, he has argued over one hundred
18 (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of
19 expert witnesses for deposition or trial, and attended over one hundred seventy-five (175)
20 mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-
21 counsel, he has successfully litigated cases involving the executive, administrative, and other
22 overtime exemptions to the State of California and federal overtime compensation requirements.
23 Under his supervision, Lawyers *for* Justice, PC has successfully obtained class certification by
24 contested motion practice in approximately fifteen (15) cases in the last decade, and litigated over
25 1,000 class action or representative action cases.

26 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
27 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
28 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.

1 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
2 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
3 From approximately August 2008 to approximately December 2008 he served as a Judicial Extern
4 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.
5 He was admitted to practice law in California in 2010. He is admitted to practice before all courts
6 of the State of California and all United States District Courts in the State of California. He has
7 worked on many wage-and-hour class action and representative action cases, taking the lead in
8 taking and defending depositions, arguing motions, and attending mediations. He has played an
9 integral role in preparing matters for class certification, including and not limited to, successful
10 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
11 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.
12 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.
13 RG13680477). Under his and Edwin Aiwazian's supervision, dozens of class action or
14 representative cases have resulted in settlements that have been granted court approval, including
15 and not limited to, those listed in paragraph 7 herein. He has worked on over one hundred (100)
16 class action or representative action cases which have resulted in settlement.

17 5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a
18 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
19 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
20 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
21 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
22 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
23 Court. She has taken and defended dozens of depositions and successfully handled motion practice
24 in class action cases regarding discovery (including and not limited to, regarding class contact
25 information), class certification (both contested class certification and stipulated class
26 certification), arbitration agreements, coordination, intervention. She has successfully handled
27 briefing and oral argument on appeal, and obtained notable decisions regarding the Private
28 Attorneys General Act and employer efforts to compel arbitration, e.g., *Betancourt v. Prudential*

1 Overall Supply, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017),
2 cert. denied (U.S., Dec. 11, 2017) and ZB, N.A. v. Superior Court, 8 Cal.5th175 (2019). She also
3 has extensive experience with class action and/or representative action settlements. Under her,
4 Edwin Aiwarzian, and Arby Aiwarzian’s supervision, the firm has handled the class certification
5 and court approval process for hundreds of class action and/or representative action matters that
6 have successfully resolved. She is a member of the California Employment Lawyers Association.

7 6. I am a Member of Lawyers for Justice, PC. I received my Bachelor of Arts degree
8 from University of California at Berkeley in 2001, and I earned my Juris Doctor degree from
9 Southwestern University School of Law in 2008. I was admitted to practice law in California in
10 2008. I am admitted to practice before all courts of the State of California. I have worked on
11 many wage and hour class action and PAGA representative matters, and my work has included,
12 *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting,
13 negotiating, and finalizing stipulations and settlement agreements, engaging in motion practice,
14 claims evaluation and analysis, and making court appearances. Prior to working at Lawyers for
15 Justice, PC, I worked for over a decade providing estate planning and other legal services to the
16 special needs community, including, *inter alia*, representing clients at mediations with school
17 districts and California Regional Centers.

18 **EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND**
19 **REPRESENTATIVE ACTION CASES**

20 7. What follows are just a few examples of the type of results Lawyers for Justice, PC
21 (“LFJ”) has achieved on behalf of its clients:

22 a) LFJ, in association with co-counsel therein, represented the plaintiffs in a
23 wage-and-hour class action against a major property management company involving allegations
24 of misclassification of various “manager” positions. On September 20, 2010, the court granted
25 final approval of the class action settlement. The Los Angeles County Superior Court Case
26 Number is BC400414.

27 b) LFJ, in association with co-counsel therein, represented the plaintiffs in a
28 wage-and-hour class action against a national retailer of household items involving allegations of

1 misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court
2 granted final approval of the class action settlement. The Los Angeles County Superior Court
3 Case Number is BC413498.

4 c) LFJ, in association with co-counsel therein, represented the plaintiffs in a
5 wage-and-hour class action against a national property management company involving
6 allegations of misclassification of the “Property Manager” position. On May 23, 2012, the court
7 granted final approval of the class action settlement. The Los Angeles County Superior Court
8 Case Number is BC430918.

9 d) LFJ, in association with co-counsel therein, represented the plaintiffs in a
10 wage-and-hour class action against a national retailer involving allegations of misclassification of
11 the “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
12 certification. On August 26, 2013, the court granted final approval of the class action settlement.
13 The Los Angeles County Superior Court Case Number is BC424012.

14 e) LFJ, in association with co-counsel therein, represented the plaintiff in a
15 wage-and-hour class and PAGA representative action against a bank, involving allegations of
16 misclassification of the “Assistant Branch Manager” position. On August 27, 2013, the court
17 granted final approval of the class and PAGA representative action settlement. The Kern County
18 Superior Court Case Number is S-1500-CV-273194-LHB.

19 f) LFJ, in association with co-counsel therein, represented the plaintiff in a
20 wage-and-hour class and PAGA representative action against a national wholesale distributor of
21 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
22 “manager” positions. On May 22, 2014, the court granted final approval of the class and PAGA
23 representative action settlement. The Sacramento County Superior Court Case Number is 34-
24 2012-00136285.

25 g) LFJ, in association with co-counsel therein, represented the plaintiff in a
26 wage-and-hour class action against a multinational corporation that provides global workplace
27 solutions, involving allegations of misclassification of the “Operations Manager” position. On
28

1 September 16, 2014, the court granted plaintiff's motion for class certification. The Los Angeles
2 County Superior Court Case Number is BC478769.

3 h) LFJ, in association with co-counsel therein, represented the plaintiff in a
4 wage-and-hour class and PAGA representative action against a national retailer of household
5 items, on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted
6 final approval of the class and PAGA representative action settlement. The San Francisco County
7 Superior Court Case Number is CGC-13-532344.

8 i) LFJ, in association with co-counsel therein, represented the plaintiff in a
9 wage-and-hour class and PAGA action involving allegations of misclassification of the salaried
10 residential "Property Manager" position. On September 17, 2015, the court granted plaintiff's
11 motion for class certification. On October 20, 2017, the court granted final approval of the class
12 and PAGA representative action settlement. The Los Angeles County Superior Court Case
13 Number is BC474784.

14 j) LFJ, in association with co-counsel therein, represented the plaintiffs in a
15 wage-and-hour class and PAGA representative action against a national retailer of upscale
16 hardware and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court
17 granted final approval of the class and PAGA representative action settlement. The Los Angeles
18 County Superior Court Case Numbers are BC516795 and JCCP4794, and the Judicial Council
19 Coordination Proceeding Number is 4794.

20 k) LFJ, in association with co-counsel therein, represented the plaintiffs in a
21 wage-and-hour class action against a national retailer of apparel and fashion accessories, on behalf
22 of non-exempt employees. On August 5, 2016, the court granted final approval of the class action
23 settlement. The Los Angeles County Superior Court Case Number is BC488069.

24 l) LFJ, in association with co-counsel therein, represented the plaintiffs in a
25 wage-and-hour class action against a national retailer of apparel, accessories, and home products,
26 involving allegations of misclassification of the "Department Manager" position. On August 12,
27 2016, the court granted the plaintiffs' motion for class certification in part and certified a class. On
28

1 August 6, 2019, the court granted final approval of the class action settlement. The Alameda
2 County Superior Court Case Number is RG13680477.

3 m) LFJ represented the plaintiff in a PAGA representative action against a real
4 estate and property management company, on behalf of non-exempt employees. On November 4,
5 2016, the court granted approval of the PAGA representative action settlement. The Orange
6 County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

7 n) LFJ, in association with co-counsel therein, represented the plaintiffs in a
8 wage-and-hour class and PAGA representative action against a full-service bank, on behalf of non-
9 exempt employees. On November 18, 2016, the court granted final approval of the class and
10 PAGA representative action settlement. The San Francisco County Superior Court Case Number
11 is CJC-13-004839 and the Judicial Council Coordination Proceeding Number is 4839.

12 o) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
13 representative action against a foodservice distributor, on behalf of non-exempt employees. On
14 January 26, 2017, the court granted final approval of the class and PAGA representative action
15 settlement. The San Bernardino County Superior Court Case Number is CIVDS1507260.

16 p) LFJ, on behalf of the plaintiff and respondent in a PAGA representative
17 action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the
18 employer's motion to compel arbitration, which resulted in a published opinion by the California
19 Court of Appeal in favor of employees. *Roberto Betancourt v. Prudential Overall Supply* (Cal.
20 App. 4th Dist., Mar. 7, 2017) 9 Cal.App.5th 439, review denied, cert. denied (U.S. Supreme Court
21 Docket No. 17-254). The Riverside County Superior Court Case Numbers are RIC1503952 and
22 RICJCCP5046, and the Judicial Council Coordination Proceeding Number is 5046.

23 q) LFJ, in association with co-counsel therein, represented the plaintiffs in a
24 wage-and-hour class and PAGA representative action against a consumer packaging company, on
25 behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the class
26 and PAGA representative action settlement. The Los Angeles County Superior Court Case
27 Number is BC590429.

1 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class and PAGA representative action against a manufacturer of food service
3 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final
4 approval of the class and PAGA representative action settlement. The Orange County Superior
5 Court Case Number is 30-2015-00810013-CU-OE-CXC.

6 s) LFJ in association with co-counsel, represented the plaintiffs in a wage-and-
7 hour class and PAGA representative action against a lumber and hardware company on behalf of
8 non-exempt employees. On April 26, 2017, the court granted final approval of the class and PAGA
9 representative action settlement. The Orange County Superior Court Case Number is 30-2014-
10 00747750-CU-OE-CXC.

11 t) LFJ represented the plaintiff in a wage-and-hour class and PAGA
12 representative action against a property management company, on behalf of non-exempt
13 employees. On June 14, 2017, the court granted final approval of the class and PAGA
14 representative action settlement. The Los Angeles County Superior Court Case Number is
15 BC586234.

16 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
17 representative action against a food company on behalf of non-exempt employees. On June 30,
18 2017, the court granted final approval of the class and PAGA representative action settlement. The
19 Sacramento County Superior Court Case Number is 34-2015-00175871.

20 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
21 representative action against a chocolate company on behalf of non-exempt employees. On July
22 19, 2017, the court granted final approval of the class and PAGA representative action settlement.
23 The Alameda County Superior Court Case Number is RG15764300.

24 w) Our firm represented the plaintiff in a PAGA representative action, against
25 the parent company of several restaurants, on behalf of hourly-paid, non-exempt employees. On
26 October 18, 2017, the court granted approval of the PAGA representative action settlement. The
27 Los Angeles County Superior Court Case Number is BC569664.
28

1 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
2 representative action against a manufacturer of plastic containers on behalf of non-exempt
3 employees. On October 31, 2017, the court granted final approval of the class and PAGA
4 representative action settlement. The Los Angeles County Superior Court Case Number is
5 BC577233.

6 y) LFJ, in association with co-counsel therein, represented the plaintiffs in a
7 wage-and-hour class and PAGA representative action against a bank on behalf of non-exempt
8 employees. On December 11, 2017, the court entered an order granting final approval of the class
9 and PAGA representative action settlement. The Los Angeles County Superior Court Case
10 Number is BC569646.

11 z) LFJ, in association with co-counsel therein, represented the plaintiffs in a
12 wage-and-hour class and PAGA representative action against a property management company
13 on behalf of hourly-paid and non-exempt employees. On January 4, 2018, the court entered an
14 order granting final approval of the class and PAGA representative action settlement. The Los
15 Angeles County Superior Court Case Number is JCCP4819 and the Judicial Council Coordination
16 Proceeding Number is 4819.

17 aa) LFJ, in association with co-counsel therein, represented the plaintiffs in a
18 wage-and-hour class and PAGA representative action against a global provider of flexible office
19 space solutions. On February 15, 2018, the court entered an order granting final approval of the
20 class and PAGA representative action settlement. The Los Angeles County Superior Court Case
21 Number is BC498401.

22 bb) LFJ, in association with co-counsel therein, represents the plaintiff in a
23 wage-and-hour class action against a container manufacturer, on behalf of non-exempt employees.
24 On October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare
25 County Superior Court Case Number is VCU264528.

26 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
27 representative action against a behavioral health service provider on behalf of non-exempt
28 employees. On November 13, 2018, the court granted final approval of the class and PAGA

1 representative action settlement. The Alameda County Superior Court Case Number is
2 RG16811450.

3 dd) LFJ, in association with co-counsel therein, represented the plaintiff in a
4 PAGA representative action against a global provider of products and services to the energy
5 industry, on behalf of hourly-paid and non-exempt employees. On November 19, 2018, the court
6 granted approval of the PAGA representative action settlement. The Kern County Superior Court
7 Case Number is S-1500-CV-280215-SDC.

8 ee) LFJ, in association with co-counsel therein, represents the plaintiff in a
9 wage-and-hour class action against a parking company on behalf of non-exempt employees. On
10 September 3, 2019, the court granted the plaintiff's motion for class certification and certified a
11 class. The Santa Clara County Superior Court Case Number is 16CV292208 and the Judicial
12 Council Coordination Proceeding Number is 4886.

13 ff) LFJ, in association with co-counsel therein, represents the plaintiffs in a
14 wage-and-hour class and representative action against a bank on behalf of non-exempt employees.
15 On September 27, 2019, the court granted the plaintiffs' motion for class certification in part and
16 certified a class. The Alameda County Superior Court Case Number is RG15757606 and the
17 Judicial Council Coordination Proceeding Number is 4921.

18 gg) LFJ, in association with co-counsel therein, represented the plaintiffs in a
19 wage-and-hour class and PAGA representative action against a national retailer of apparel and
20 fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted
21 the plaintiffs' motion for class certification in part and certified a class. On May 14, 2021, the
22 court granted final approval of the class and PAGA representative action settlement. The
23 Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

24 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and
25 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
26 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
27 notable decision from the California Supreme Court clarifying the law and finding, in part, that
28 employer arbitration agreements are unenforceable where they block a PAGA claim from

1 proceeding, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court
2 granted approval of the PAGA representative action settlement. The San Diego County Superior
3 Court Case Number is 34-2015-00175330.

4 ii) LFJ, in association with co-counsel therein, represents the plaintiff in a
5 wage-and-hour class and PAGA representative action against a medical equipment supplier on
6 behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion
7 for class certification and certified a class. The San Bernardino County Superior Court Case
8 Number is CIVDS1505744.

9 jj) LFJ, in association with co-counsel therein, represents the plaintiff in a
10 wage-and-hour class and PAGA representative action against a large national drug testing
11 laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the
12 plaintiff's motion for class certification and certified a class. The San Diego County Superior
13 Court Case Number is 37-2018-00019611-CU-OE-CTL.

14 kk) LFJ, in association with co-counsel therein, represents the plaintiffs in a
15 wage-and-hour class and PAGA representative action against a national retailer of sportswear,
16 footwear, and camping equipment on behalf of non-exempt employees. On March 16, 2020, the
17 court granted in part the plaintiff's motion for class certification and certified a class. The
18 Riverside County Superior Court Case Numbers are RIC1507504 and RICJCCP4930, and the
19 Judicial Council Coordination Proceeding Number is 4930.

20 ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a
21 wage-and-hour class and PAGA representative action against a plastic packaging company on
22 behalf of non-exempt employees. On June 8, 2020, the court granted in part the plaintiffs' motion
23 for class certification and certified a class. On November 8, 2021, the court granted approval of
24 the partial settlement of the action. The San Bernardino County Superior Court Case Number is
25 CIVDS1507361.

26 mm) LFJ, in association with co-counsel therein, represents the plaintiffs in a
27 wage-and-hour class action against manufacturer and supplier of power products and services on
28 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion

1 for class certification and certified a class. The San Diego County Superior Court Case Number is
2 37-2015-00025968-CU-OE-CTL.

3 nn) LFJ represents the plaintiff in a wage-and-hour class action against a
4 nutritional products manufacturer on behalf of non-exempt production line employees. On
5 December 13, 2021, the court granted the plaintiff's motion for class certification in part and
6 certified a class. The Solano County Superior Court Case Number is FCS051001.

7 oo) LFJ represents the plaintiff in a wage-and-hour class action against an iconic
8 lifestyle accessories brand and retailer on behalf of non-exempt employees. On March 15, 2022,
9 the court granted the plaintiff's motion for class certification in part and certified a class. The San
10 Francisco Superior Court Case Number is CGC-16-550794.

11 **BASIC INFORMATION ABOUT THE CASE AND REACHING THE SETTLEMENT**

12 8. Marked and attached hereto as "**EXHIBIT A**" is the Amended Joint Stipulation of
13 Class Action and PAGA Settlement ("Settlement," "Agreement," or "Settlement Agreement")
14 entered into by and between Plaintiffs, on the one hand, and Defendant CommuniCare Health
15 Centers ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and their
16 counsel have approved the proposed Notice of Proposed Class Action Settlement ("Notice"),
17 which is attached to the Settlement Agreement as "Exhibit A" and the Workweeks Dispute Form,
18 which is attached to the Settlement Agreement as "Exhibit B," (together, the "Notice Packet") and
19 respectfully request that the Court approve these as well.

20 9. Based on information provided by Defendant, as of June 26, 2021, the Class is
21 estimated to consist of approximately 460 individuals.

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

1 the case progressed through certification, trial, and/or appeals.

2 11. Plaintiffs' Counsel has litigated the case for over three years, and was actively
3 preparing the matter for class certification and trial. The Parties have engaged in extensive
4 settlement negotiations and participated in a formal, full-day mediation conducted by Lynn S.
5 Frank, a well-respected mediator experienced in mediating complex labor and employment
6 matters. Prior to and during the mediation and settlement discussions, the Parties exchanged
7 extensive information and engaged in discussions regarding their evaluations of the case and
8 various aspects of the case, including but not limited to, the risks and delays of further litigation,
9 the risks to the Parties of proceeding with class certification and/or representative adjudication,
10 the law relating to off-the-clock theory, meal and rest periods, PAGA representative actions, and
11 wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the
12 possibility of appeals, among other things. During all settlement discussions, the Parties
13 conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement
14 that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their
15 ability to prevail on the merits and at certification, and Plaintiffs and Plaintiffs' Counsel believed
16 that they would be able to obtain class certification and prevail at trial. After conducting
17 investigations, formal and informal discovery, and exchange of information, extensive settlement
18 negotiations, and with the aid of the mediator's evaluation, the Parties have agreed that the matter
19 is well-suited for settlement given the legal issues relating to Plaintiffs' principal claims, as well
20 as the costs and risks to both sides that would attend further litigation. The Settlement is a fair,
21 reasonable, and adequate resolution of the Plaintiffs' and Settlement Class Members' Released
22 Claims, and of the State of California's PAGA Released Claims with respect to employment of
23 Plaintiffs and Settlement Class Members.

24 12. The Parties used the pre-mediation time to investigate the veracity, strength, and
25 scope of the claims, and Plaintiffs' Counsel was preparing the action for class certification and
26 trial. Prior to engaging in mediation, Plaintiffs conducted significant investigation and formal and
27 informal discovery regarding the facts of the case, including and not limited to, the exchange,
28 review, and analysis of a large volume of documents and data obtained from Defendant, Plaintiffs,

1 and other sources. On May 31, 2019, Plaintiff Perez propounded multiple sets of formal written
2 discovery requests onto Defendant, specifically, Requests for Production of Documents, (Set
3 One); Special Interrogatories, (Set One & Two); Form Interrogatories, (Set One); and noticed the
4 deposition of Defendant's person most knowledgeable regarding job duties and organizational
5 structure of Defendant. On July 2, 2019, Defendant responded and objected to each of the
6 Plaintiff's discovery requests and deposition notices. On September 18, 2020, Plaintiff Perez
7 propounded additional sets of Requests for Production of Documents, (Set Two); Form
8 Interrogatories, (Set Two); and Special Interrogatories, (Set Three), and, again, noticed the
9 deposition of Defendant's person most knowledgeable regarding job duties and Defendant's
10 organizational structure. On September 25, 2020, Defendant filed a Motion for a Protective Order.
11 On September 30, 2020, Plaintiff Perez filed three Motions to Compel Defendant to respond to
12 discovery requests. Plaintiffs' Counsel also prepared for the deposition of Defendant's Person
13 Most Knowledgeable witnesses over the course of several days, and prepared for the deposition
14 of Plaintiffs. The volume of data and documents that Plaintiffs' Counsel reviewed and analyzed
15 included and was not limited to: Plaintiff and other Class Members' employment records, a
16 detailed sampling of Class Members' time and pay data, company policy acknowledgements
17 (including acknowledgements of Defendant's Drug and Alcohol policy and Defendant's Domestic
18 Violence/ Abuse Reporting policy, and acknowledgement of receipt of Employee Handbook), job
19 descriptions, new hire information checklists, termination checklists, employee evaluations,
20 Defendant's confidential financial information (including but not limited to operating budgets,
21 financial statements, and balance sheets), Defendant's operations and employment practices
22 (including multiple signed Arbitration Agreements and prior Settlement and Release Agreements
23 with individual employees, along with check stubs evidencing payment under prior settlement
24 agreements), among other information and documents Plaintiffs' Counsel interviewed Plaintiffs
25 and other Class Members to gather facts and to identify potential witnesses. Counsel for the Parties
26 also met and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings,
27 discovery, *Belaire-West* notice administration, and the production of documents and data prior to
28 the mediation. Plaintiffs' Counsel also drafted pleadings and the mediation brief, engaged in

1 *Belaire-West* notice administration, and prepared for and attended court proceedings, mediation,
2 and settlement negotiations, among other tasks.

3 13. Counsel for the Parties have also invested time researching and investigating the
4 applicable law, which is constantly evolving as it relates to certification, representative PAGA
5 claims, off-the-clock theory, meal and rest periods, wage-and-hour law and enforcement,
6 Plaintiffs' claims and damages, and Defendant's defenses thereto, as well as facts discovered.
7 Based on Plaintiffs' Counsel's analysis, the result achieved in this litigation is fair, adequate, and
8 reasonable.

9 14. The Settlement provides for a Maximum Settlement Amount of Seven Hundred
10 Sixty-Seven Thousand Five Hundred Dollars (\$767,500.00). The Net Settlement Fund is the
11 Maximum Settlement Amount less the following amounts subject to approval by the Court:
12 Attorneys' Fees and Litigation Costs to Plaintiffs' Counsel, Enhancement Payments to Plaintiffs,
13 Administration Costs to Settlement Administrator, PAGA Penalties, and Defendant's Prior
14 Payment Credit. Assuming that the amounts allocated under the Settlement toward these payments
15 are awarded by the Court, the Net Settlement Fund that will be available for distribution to
16 Settlement Class Members is currently estimated to be One Hundred Eighty-Seven Thousand Five
17 Hundred Dollars (\$187,500.00). Additionally, 25% of the PAGA Allocation (i.e., the Employee
18 PAGA Amount), which is \$16,250.00 out of \$65,000.00, will be distributed to Settlement Class
19 Members who worked during the PAGA Period. The Maximum Settlement Amount will be fully
20 distributed in accordance with the terms of the Settlement and there is no reversion to Defendant.

21 15. The Parties have agreed to retain Phoenix Settlement Administrators ("Settlement
22 Administrator") to handle the notice and settlement administration process. The Parties
23 respectfully request that the Court appoint Phoenix to handle these procedures and serve as the
24 Settlement Administrator. Defendant will provide the Settlement Administrator with a list of Class
25 Members that Defendant will compile from its records, which will include each Class Member's
26 full name; last known home address; last known telephone number; dates of employment with
27 Defendant as an hourly-paid or non-exempt employee; Social Security Number; number of
28 Workweeks worked during the Class Period; number of Workweeks worked during the PAGA

1 Period; and whether or not the Class Member signed a settlement agreement or cashed a check
2 from Defendant. The Settlement Administrator will calculate each Class Member's estimated
3 share of the Class Settlement ("Individual Class Share") and estimated share of the Employee
4 PAGA Amount ("Individual PAGA Share"). The Settlement Administrator will also receive opt-
5 outs, objections, and disputes regarding Workweeks; provide necessary reports and declarations;
6 calculate, subtract, and transmit necessary taxes and withholdings; prepare and submit
7 informational and other tax filings and documents; issue and transmit all payments provided for
8 by the Settlement, including and not limited to, mailing Individual Settlement Payments to Class
9 Members; and perform any other usual and customary duties for administering a class action
10 settlement. Settlement Administration Costs are currently estimated not to exceed Ten Thousand
11 Dollars (\$ 10,000) and will be paid out of the Maximum Settlement Amount, subject to approval
12 of the Court.

13 16. Based on investigation and information discovered, Plaintiffs' Counsel believes that
14 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations
15 that Defendant, with respect to Plaintiffs and the Class Members, *inter alia*, failed to properly pay
16 overtime and minimum wages, failed to provide compliant meal and rest periods and to pay
17 associated premium pay, failed to timely pay wages during employment and upon termination of
18 employment, failed to provide compliant wage statements, failed to maintain requisite payroll
19 records, and failed to reimburse necessary business expenses, and thereby engaged in unfair
20 business practices and conduct giving rise to civil penalties recoverable under the Private
21 Attorneys General Act of 2004 (California Labor Code sections 2698, et seq.). Plaintiffs also
22 asserted that Class Members were expected to perform similar job duties and were subject to the
23 same or similar operations and employment policies, practices, and procedures. Additionally,
24 Plaintiffs asserted that Defendant's recordkeeping practices with respect to Plaintiffs and Class
25 Members were substantially the same during the time period at issue. As a result of said alleged
26 uniform practices, Plaintiffs claims that Class Members were not paid all of the compensation that
27 was owed to them by Defendant. Thus, in Plaintiffs' Counsel's view, it is clear that the outcome
28 of this litigation would be determined by Defendant's uniform operations and employment

1 practices, policies, and procedures that Plaintiffs alleges applied across Defendant's hourly-paid
2 or non-exempt employees in California during the relevant time period.

3 17. Plaintiffs' Counsel is aware of the defenses and position of Defendant, but believes
4 that Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and
5 Plaintiffs' Counsel have also taken into account the uncertainty and risk of the outcome of further
6 litigation, and the difficulties and delays inherent in such litigation, including those involved in
7 class certification and/or representative adjudication. Plaintiffs and Plaintiffs' Counsel further
8 recognize the burdens of proof necessary to establish liability for the claims asserted in the lawsuit,
9 Defendant's defenses, and the difficulties in establishing entitlement to monetary recovery.
10 Plaintiffs and Plaintiffs' Counsel have also considered the Parties' settlement discussions, as well
11 as the evaluations of the mediator, who is experienced and well-regarded in complex labor and
12 employment matters.

13 18. Defendant, on the other hand, denied and continues to deny any liability and
14 wrongdoing of any kind associated with the allegations in the lawsuit, and further denies that the
15 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
16 the Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have
17 also had the opportunity to interview witnesses and review documents and information relating to
18 Plaintiffs' and Class Members' employment with Defendant, and Defendant's operations and
19 employment policies, practices, and procedures. The Parties also reviewed and analyzed a volume
20 of documents and data, including but not limited to a detailed sampling of Class Members' time
21 and pay information, to determine the potential value and strength of the claims. The available
22 information enabled Plaintiffs' Counsel to assess and value the class and PAGA claims and
23 prepare violation, damages, and penalties analyses and models. Accordingly, the Parties have
24 conducted adequate investigation and discovery to be sufficiently informed of the nature and
25 extent of the class and PAGA claims, and to enable both sides to fully evaluate the Settlement for
26 its fairness, adequacy, and reasonableness. The Parties have agreed that the matter is well-suited
27 for settlement given the legal issues relating to Plaintiffs' principal claims, as well as the costs and
28 risks to both sides that would attend further litigation. The Settlement takes into account the

1 strengths and weaknesses of each side's position and the uncertainty of how the case might have
2 concluded at certification, trial, and/or appeals.

3 19. The Settlement Agreement provides for Plaintiffs' Counsel to apply for attorneys'
4 fees in an amount of up to thirty-four percent (34%) of the Maximum Settlement Amount
5 (i.e., \$262,500.00) and expenses and costs in an amount not to exceed Twenty-Five Thousand
6 Dollars (\$25,000.00), which will be paid out of the Maximum Settlement Amount, subject to
7 approval by the Court. It should be noted that Plaintiffs' Counsel has borne all of the risks and
8 costs of litigation and will not receive any compensation until recovery is obtained.

9 20. The Settlement Agreement provides for payment of up to Seven Thousand Five
10 Hundred Dollars (\$7,500.00) each to Plaintiffs Ignacio Perez and Karen Rios, and up to Two
11 Thousand Five Hundred Dollars (\$2,500.00) to Plaintiff Liszandra Padilla (for a total of
12 \$17,500.00) as enhancement payments, to be paid out of the Maximum Settlement Amount subject
13 to approval by the Court. Plaintiffs spent considerable time and effort to produce relevant
14 documents and past employment records and to provide the facts and evidence necessary to
15 attempt to prove the allegations. Plaintiffs were each available whenever Plaintiffs' Counsel
16 needed Plaintiffs, and actively tried to obtain information that would facilitate the pursuit of the
17 class and PAGA claims. Accordingly, it is appropriate and just for Plaintiffs each to receive an
18 enhancement payment, in addition to an individual settlement payment, for services performed in
19 the matter on behalf of the Class and State of California.

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

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

3 Executed on this 18th day of October 2022, at Glendale, California.

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6 Annabel Blanchard
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EXHIBIT A

1 This Amended Joint Stipulation of Class Action and PAGA Settlement (“Settlement,”
2 “Agreement,” or “Settlement Agreement”) is made by and between the Plaintiffs IGNACIO
3 PEREZ (“Plaintiff Perez”), LISZANDRA PADILLA (“Plaintiff Padilla”), and KAREN RIOS
4 (“Plaintiff Rios”), on their own behalf and on behalf of all members of the Settlement Class, as
5 defined below, (collectively, the “Plaintiffs”), on the one hand, and Defendant COMMUNICARE
6 HEALTH CENTERS (“Defendant”) on the other hand (collectively the “Parties”), in the lawsuits
7 entitled *Ignacio Perez v. CommuniCare Health Centers*, filed in Yolo County Superior Court, Case
8 No. CV-2019-469 (the “Perez Action”), and *Karen Rios v. CommuniCare Health Centers*, filed in
9 Yolo County Superior Court, Case No. CV2020-1659 (the “Rios Action”) (both cases are referred
10 to as the “Litigation”). This Settlement resolves all the Released Claims of Plaintiffs and the
11 Settlement Class Members against Defendant pertaining to the claims in the Litigation.

12 Pursuant to Section XVIII.I of the Joint Stipulation of Class Action and PAGA Settlement
13 entered on or around August 31, 2021, the Parties hereby agree to supplant the Joint Stipulation of
14 Class Action and PAGA Settlement entered on or around August 31, 2021 with this Amended Joint
15 Stipulation of Class Action and PAGA Settlement.

16 **I. DEFINITIONS**

17 **A. “Administration Costs”** means the maximum amount to be paid to the Settlement
18 Administrator, which shall not exceed \$10,000.00, for all administrative costs of settlement,
19 including costs of notice to the Class, settlement administration, and any fees and costs incurred or
20 charged by the Settlement Administrator in connection with the execution of its duties under this
21 Settlement, as set forth in Section VIII below.

22 **B. “Attorneys’ Fees and Litigation Costs”** means the attorneys’ fees approved by
23 the Court for Class Counsel’s litigation and resolution of this Litigation (“Attorneys’ Fees”),
24 which shall not exceed \$262,500.00 (which is approximately 34% of the Maximum Settlement
25 Amount), and reimbursement of all actual costs incurred and to be incurred by Class Counsel in
26 the Litigation (“Litigation Costs”) in an amount up to \$25,000.00, as set forth in Section IX
27 below. The Attorneys’ Fees and Litigation Costs to Class Counsel approved by the Court shall be
28 payable from the Maximum Settlement Amount.

1 **C. “Class Counsel” or “Plaintiffs’ Counsel”** mean Edwin Aiwazian, Esq., Arby
2 Aiwazian, Esq., Joanna Ghosh, Esq., and Annabel Blanchard, Esq. of Lawyers *for* Justice, PC and
3 all the lawyers of the firm acting on behalf of Plaintiffs and the Settlement Class.

4 **D. “Class Member(s)”** means all current and former hourly-paid or non-exempt
5 employees (excluding licensed clinicians) who worked for Defendant within the State of California
6 at any time during the Class Period (collectively referred to as the “Class”).

7 **E. “Class Period”** means the period from March 7, 2015 through January 1, 2021.

8 **F. “Court”** means the Superior Court of the State of California for the County of Yolo.

9 **G. “Effective Date”** means the date on which the Final Approval Order becomes Final.

10 **H. “Enhancement Payments”** means the amounts approved by the Court to be paid
11 to Plaintiffs Ignacio Perez, Lizabeth Padilla, and Karen Rios, in addition to their respective
12 Individual Settlement Payments, in recognition of their effort and work in prosecuting the
13 Litigation on behalf of Class Members, as set forth in Section X below. The Enhancement
14 Payments payable to Plaintiffs shall not exceed \$17,500.00, allocated as \$7,500.00 each to Plaintiff
15 Perez and Plaintiff Rios, and \$2,500.00 to Plaintiff Padilla, and shall be payable from the Maximum
16 Settlement Amount.

17 **I. “Final”** means: (1) the date of final affirmation of the Final Approval Order from
18 any appeal, the expiration of the time for, or the denial of, a petition to review the Final Approval
19 Order, or if review is granted, the date of final affirmation of the Final Approval Order following
20 review pursuant to that grant; or (2) the date of final dismissal of any appeal from the Final
21 Approval Order or the final dismissal of any proceeding to review the Final Approval Order,
22 provided that the Final Approval Order is affirmed and/or not reversed in any part; or (3) if no
23 appeal is filed, the expiration date of the time for the filing or noticing of any appeal from the
24 Court’s Final Approval Order, as determined under Rule 8.104(a)(3) of the California Rules of
25 Court.

26 **J. “Final Approval Order”** as used herein mean the final formal judgment entered by
27 the Court at the Final Approval Hearing in accordance with the terms herein, approving this
28 Agreement.

1 **K. “Individual Settlement Payments”** means payments made to the Settlement Class
2 Members as part of the Settlement. The Individual Settlement Payment combines a Settlement
3 Class Member’s Individual Class Share (after reduction for the employee’s share of taxes on the
4 wage portion) and Individual PAGA Share (if applicable).

5 **L. “Individual Class Share”** means a Settlement Class Member’s *pro rata* share of
6 the Net Settlement Fund allocated to Paid Settlement Class Members or Unpaid Settlement Class
7 Members, based on his or her Workweeks during the Class Period.

8 **M. “Individual PAGA Share”** means a Settlement Class Member’s *pro rata* share of
9 the 25% portion of the PAGA Penalties allocated to aggrieved employees, based on their
10 Workweeks during the PAGA Period.

11 **N. “Maximum Settlement Amount”** means the sum of Seven Hundred Sixty-Seven
12 Thousand Five Hundred Dollars (\$767,500.00), which will be paid by Defendant (minus the Prior
13 Payment Credit), and from which all Individual Settlement Payments pursuant to Section XIV,
14 Court-approved Attorneys’ Fees and Litigation Costs pursuant to Section IX, Administration Costs
15 pursuant to Section VIII, Enhancement Payments pursuant to Section X, and LWDA Payment
16 pursuant to Section XI, will be paid. The Maximum Settlement Amount is the maximum amount
17 that Defendant is obligated to pay under this Settlement Agreement, except for the employer’s share
18 of payroll taxes with respect to the wage portion of Individual Class Shares, which will be paid by
19 Defendant separately and in addition to the Maximum Settlement Amount, and except as provided
20 in Section I.BB herein.

21 **O. “Net Settlement Fund”** means the Maximum Settlement Amount minus any Court-
22 approved award of Attorneys’ Fees to Class Counsel, Litigation Costs to Class Counsel,
23 Administration Costs to the Settlement Administrator, Enhancement Payments to Plaintiffs, PAGA
24 Penalties, and Defendant’s Prior Payment Credit, as provided in Sections VIII, IX, X, and XI,
25 respectively.

26 **P. “Notice Packet”** means the Notice of Proposed Class Action Settlement (“Notice”)
27 and Workweeks Dispute Form, substantially in the forms attached hereto as “**Exhibit A**” and
28 “**Exhibit B**,” respectively, to be mailed by the Settlement Administrator to the Class Members, as

provided in Section XII.A.

Q. “PAGA Penalties” means a total payment of Sixty-Five Thousand Dollars (\$65,000.00) to settle all claims under PAGA. From this amount, 75% will be paid to the Labor and Workforce Development Agency (“LWDA”) as its “LWDA Payment” and 25% will be distributed to Settlement Class Member who worked for Defendant during the PAGA Period as their “Individual PAGA Share.” The PAGA Penalties shall be payable from the Maximum Settlement Amount.

R. “PAGA Period” means the period from September 29, 2019 through January 1, 2021.

S. “Paid Class Member” means a Class Member who has previously signed a settlement agreement with Defendant or cashed a settlement check from Defendant to release claims in the Litigation.

T. “Paid Settlement Class Member” means a Paid Class Member who is a Settlement Class Member, i.e. who has not opted out of the Settlement.

U. “Plaintiffs” as used herein means Ignacio Perez, Lizzandra Padilla, and Karen Rios.

V. “Prior Payment Credit” means the amount of Two Hundred Thousand Dollars (\$200,000.00) that Defendant has already paid to certain Class Members and which will be credited against the Maximum Settlement Amount.

W. “Response Deadline” means the deadline by which Class Members must submit a Request to be Excluded, Objection, and/or Workweeks Dispute, which will be the date that is sixty (60) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. In the event that a Notice Packet is re-mailed to a Class Member, the Response Deadline for that Class Member will be the extended by fifteen (15) calendar days.

X. “Settlement” means the disposition and agreement to resolve the Litigation.

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1 **Y. “Settlement Administrator”** means Phoenix Settlement Administrators, the
2 settlement administrator selected by the Parties and which will be responsible for the administration
3 of the Maximum Settlement Amount, as defined below, and all related matters. The Parties and
4 their counsel each represent that they do not have any financial interest in the Settlement
5 Administrator or otherwise have a relationship with the Settlement Administrator that could create
6 a conflict of interest.

7 **Z. “Settlement Class Member”** means a Class Member who does not opt out of the
8 Settlement.

9 **AA. “Unpaid Class Member”** means a Class Member who has not previously signed a
10 settlement agreement with Defendant or cashed a settlement check from Defendant to release
11 claims in the Litigation. **“Unpaid Settlement Class Member”** means an Unpaid Class Member
12 who is a Settlement Class Member, i.e. who has not opted out of the Settlement.

13 **BB. “Workweeks”** means the number of weeks that a Class Member worked for
14 Defendant as an hourly-paid or non-exempt employee (excluding time as a licensed clinician),
15 based on the dates of employment in the Class List that Defendant provides to the Settlement
16 Administrator. Each Class Member will be credited with at least one (1) Workweek. A Workweek
17 includes any week in which a Class Member had a time worked entry in Defendant’s timekeeping
18 system. Defendant represents that Paid Class Members worked approximately 44,000 Workweeks
19 from March 7, 2015 through July 2020. Defendant represents that Unpaid Class Members worked
20 approximately 5,170 Workweeks from March 7, 2015 through January 1, 2021. If the number of
21 Workweeks from March 7, 2015 through January 1, 2021 for Unpaid Class Members is actually
22 10% more than 5,170 Workweeks (i.e., more than 5,687 Workweeks), this will trigger an escalator
23 provision where the amount allocated to Unpaid Class Members would increase on a proportional
24 basis by the same percentage point above this threshold (e.g., if the Workweeks exceed 5,170 by
25 15%, then the amount allocated to Unpaid Class Members will increase by 5%, for example, from
26 \$117,515.00 to \$123,390.75).

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1 **II. BACKGROUND**

2 **A.** In the Litigation, Plaintiffs Ignacio Perez and Karen Rios allege, *inter alia*, on behalf
3 of themselves and all others similarly situated, that Defendant violated California state wage and
4 hour laws, the California Business and Professions Code Section 17200 *et seq.*, and the Private
5 Attorneys General Act (“PAGA”), California Labor Code Section 2698, *et seq.*, as a result of
6 Defendant’s California wage and hour policies and practices. Specifically, Plaintiffs allege that
7 Defendant violated: (1) California Labor Code sections 510 and 1198 (unpaid overtime); (2)
8 California Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) California
9 Labor Code section 226.7 (unpaid rest period premiums); (4) California Labor Code sections 1194,
10 1197, and 1197.1 (unpaid minimum wages); (5) California Labor Code sections 201 and 202 (final
11 wages not timely paid); (6) California Labor Code section 204 (failure to timely pay wages during
12 employment); (7) California Labor Code section 226(a) (non-compliant wage statements); (8)
13 California Labor Code section 1174(d) (failure to keep complete and accurate payroll records); (9)
14 California Labor Code sections 2800 and 2802 (unreimbursed business expenses); (10) California
15 Business and Professions Code sections 17200, *et seq.*; and (11) California Labor Code section
16 2698, *et seq.*

17 **B.** Class Counsel conducted discovery concerning the claims set forth in the Litigation,
18 such as a detailed, more than 50% sampling of timekeeping and payroll data for the Class and
19 Defendant’s wage-and-hour policies and procedures, as well as class datapoints (including the
20 number of putative class members, workweeks, average hourly rate of pay, and the amount of meal
21 and rest period premium wages paid to putative class members).

22 **C.** Plaintiffs and Class Counsel have engaged in good faith, arms-length negotiations
23 with Defendant concerning possible settlement of the claims asserted in the Litigation. The Parties
24 participated in mediation before Lynn Frank, Esq., a well-respected wage-and-hour class action
25 mediator, that resulted in settlement of the Litigation memorialized in this Settlement Agreement
26 after extensive negotiations about the terms and conditions of the Settlement at the mediation and
27 subsequent thereto.

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1 **D.** Class Counsel has conducted an investigation of the law and facts relating to the
2 claims asserted in the Litigation and has concluded, taking into account the sharply contested issues
3 involved, the defenses asserted by Defendant, the expense and time necessary to pursue the
4 Litigation through trial and any appeals, the risks and costs of further prosecution of the Litigation,
5 the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits
6 to be received by Plaintiffs and the members of the Class pursuant to this Agreement, that a
7 settlement with Defendant on the terms and conditions set forth herein is fair, reasonable, adequate,
8 and in the best interests of the Class. Plaintiffs, on their own behalf and on behalf of the Class,
9 have agreed to settle the Litigation with Defendant on the terms set forth herein.

10 **E.** Defendant has concluded that, because of the substantial expense of defending
11 against the Litigation, the length of time necessary to resolve the issues presented herein, the
12 inconvenience involved, and the concomitant disruption to its business operations, it is in
13 Defendant's best interest to accept the terms of this Agreement. Defendant denies each of the
14 allegations and claims asserted against it in the Litigation. However, Defendant nevertheless
15 desires to settle the Litigation for the purpose of avoiding the burden, expense and uncertainty of
16 continuing litigation and for the purpose of putting to rest the controversies engendered by the
17 Litigation.

18 **F.** This Agreement is intended to and does effectuate the full, final and complete
19 settlement of all allegations and claims that were asserted, or could have been asserted, in the
20 Litigation by Plaintiffs and members of the Class as set forth in Section II.A.

21 **III. JURISDICTION**

22 The Court has jurisdiction over the Parties and the subject matter of this Litigation. The
23 Litigation includes claims that, while Defendant denies them in their entirety, would, if proven,
24 authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted
25 final approval of the Settlement and after the Court has ordered the entry of Judgment, pursuant to
26 California Code of Civil Procedure Section 664.6 the Court shall retain jurisdiction of this action
27 solely for the purpose of interpreting, implementing, and enforcing this Settlement consistent with
28 the terms set forth herein.

1 **IV. STIPULATION OF CLASS CERTIFICATION**

2 The Parties stipulate to the certification of the Class for purposes of settlement only. This
3 stipulation is contingent upon the preliminary and final approval and certification of the Class only
4 for purposes of settlement. Should the Settlement not become final, for whatever reason, the fact
5 that the Parties were willing to stipulate provisionally to class certification as part of the Settlement
6 shall have no bearing on, and shall not be admissible in connection with, the issue of whether a
7 class should be certified in a non-settlement context in the Litigation. Defendant expressly reserves
8 the right to oppose class certification and/or proactively move to deny certification should this
9 Settlement be modified or reversed on appeal or otherwise not become final.

10 **V. AMENDMENT OF COMPLAINT AND MOTION FOR PRELIMINARY**

11 **APPROVAL**

12 A. Parties contemplate that in order to implement the Settlement, they will stipulate to
13 the filing of a Fourth Amended Class Action Complaint for Damages & Enforcement Under the
14 Private Attorneys General Act, California Labor Code § 2698 Et Seq. in the *Perez* Action, which
15 adds Karen Rios and Liszandra Padilla as named plaintiffs in the *Perez* Action. Together, the Class
16 Action Complaint for Damages filed on March 7, 2019 in the *Perez* Action, First Amended Class
17 Action Complaint for Damages filed on June 4, 2019 in the *Perez* Action, Second Amended Class
18 Action Complaint for Damages filed on September 5, 2019 in the *Perez* Action, Third Amended
19 Class Action Complaint for Damages filed on December 12, 2019 in the *Perez* Action, Complaint
20 for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698 Et Seq.
21 filed on December 7, 2020 in the *Rios* Action, and contemplated Fourth Amended Class Action
22 Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor
23 Code § 2698 Et Seq. to be filed in the *Perez* Action are referred to as “Operative Complaints.” The
24 written notice submitted on behalf of Plaintiff Karen Rios to the Labor and Workforce Development
25 Agency and Defendant, on September 28, 2020, providing notice of her intent to seek civil penalties
26 under the Private Attorneys General Act, California Labor Code section 2698, *et seq.* for alleged
27 violations of the California Labor Code, pursuant to California Labor Code section 2699.3, is
28 referred to herein as “Letter to the LWDA.”

1 **B.** Plaintiffs will bring a motion before the Court for an order preliminarily approving
2 the Settlement including the Notice of Proposed Class Action Settlement (“Notice”) and
3 Workweeks Dispute Form, which are attached hereto as “**Exhibit A**” and “**Exhibit B**,”
4 respectively, and including certification of the Class for settlement purposes only.

5 **C.** The date that the Court grants preliminary approval of this Agreement will be the
6 “Preliminary Approval Date.” Class Counsel will prepare the motion for preliminary approval of
7 the Settlement and will provide Defendant’s counsel the opportunity to review it and provide input
8 before it is filed.

9 **VI. STATEMENT OF NO ADMISSION**

10 **A.** Defendant denies liability to Plaintiffs and to the Class upon any claim or cause of
11 action. This Agreement does not constitute, and is not intended to constitute, an admission by
12 Defendant as to the merits, validity, or accuracy of any of the allegations or claims made against it
13 in the Litigation.

14 **B.** Nothing in this Agreement, nor any action taken in implementation thereof, nor any
15 statements, discussions or communications, nor any materials prepared, exchanged, issued or used
16 during the course of the negotiations leading to this Agreement or the Settlement, is intended by
17 the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used or be
18 admissible in any way in this case or any other judicial, arbitral, administrative, investigative or
19 other forum or proceeding as evidence of any violation of any federal, state, or local law, statute,
20 ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. The
21 Parties themselves agree not to introduce, use, or admit this Agreement, directly or indirectly, in
22 this case or any other judicial, arbitral, administrative, investigative, or other forum or proceeding,
23 as purported evidence of any violation of any federal, state, or local law, statute, ordinance,
24 regulation, rule or executive order, or any obligation or duty at law or in equity, or for any other
25 purpose. Notwithstanding the foregoing, this Agreement may be used and filed in any proceeding
26 before the Court that has as its purpose the interpretation, implementation, or enforcement of this
27 Agreement or any orders or judgments of the Court entered in connection with implementation of
28 the Settlement.

1 C. None of the documents produced or created by Plaintiffs or the Class in connection
2 with settlement procedures constitute, and they are not intended to constitute, an admission by
3 Defendant of any violation of any federal, state, or local law, statute, ordinance, regulation, rule, or
4 executive order, or any obligation or duty at law or in equity.

5 D. The Parties agree that class certification pursuant to California Code of Civil
6 Procedure Section 382 under the terms of this Agreement is for settlement purposes only. Nothing
7 in this Agreement will be construed as an admission or acknowledgement of any kind that any class
8 should be certified or given collective treatment in the Litigation or in any other action or
9 proceeding. Further, neither this Agreement nor the Court's actions with regard to this Agreement
10 will be admissible in any court or other tribunal regarding the propriety of class certification or
11 collective treatment. In the event that this Agreement is not approved by the Court or any appellate
12 court, is terminated, or otherwise fails to be enforceable, Plaintiffs will not be deemed to have
13 waived, limited, or affected in any way any claims, rights, or remedies in the Litigation, and
14 Defendant will not be deemed to have waived, limited, or affected in any way any of its objections
15 or defenses in the Litigation.

16 **VII. WAIVER, RELEASE, AND CONFIDENTIALITY**

17 **A. Release as to All Settlement Class Members.**

18 Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiffs
19 and all Settlement Class Members waive, release, discharge Defendant, and its divisions, affiliates,
20 predecessors, successors, shareholders, officers, directors, employees, agents, trustees,
21 representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents,
22 subsidiaries, joint employers, insurers, clients, customers, suppliers, vendors, and related
23 corporations ("Released Parties") of any and all claims asserted in the Operative Complaints and
24 Letter to the LWDA, all claims that could have been asserted in the Operative Complaints and the
25 Letter to the LWDA arising out of the same operative facts, and any future amendments to the
26 operative complaints, including but not limited to state wage and hour claims for any and all
27 violations of California's Labor Code and Unfair Competition Law based on Defendant's alleged
28 failure to pay for all hours worked (including minimum wages, straight time wages, and overtime

1 wages), alleged failure to provide meal periods, alleged failure to authorize and permit rest periods,
2 alleged failure to timely pay all wages due at the time of termination, alleged failure to furnish
3 accurate, itemized wage statements, alleged failure to timely pay wages during employment,
4 alleged failure to properly reimburse for all business-related expenses, civil penalties under
5 California's Private Attorneys General Act of 2004 based on the alleged Labor Code violations,
6 and all damages, interest, penalties, attorneys' fees, costs, and other amounts recoverable under
7 said causes of action under California law, to the extent permissible, including but not limited to
8 the California Labor Code and the applicable Wage Orders ("Released Claims").

9 **B. General Release by Plaintiffs Only.**

10 1. In addition to the release made in Section VII(A), Plaintiffs make the
11 additional following general release of all claims, known or unknown. Upon the Effective Date
12 and full funding of the Maximum Settlement Amount, Plaintiffs release the Released Parties from
13 all claims, demands, rights, liabilities and causes of action of every nature and description
14 whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract,
15 or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in
16 connection with Plaintiffs' relationship with Defendant as well as any and all acts or omissions by
17 or on the part of Defendant. (The release set forth in this Paragraph B shall be referred to hereinafter
18 as the "General Release.")

19 2. With respect to the General Release, Plaintiffs stipulate and agree that, upon
20 the date on which the Court's Final Approval Order becomes "Final", Plaintiffs shall be deemed to
21 have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights
22 and benefits of Section 1542 of the California Civil Code, or any other similar provision under
23 federal or state law, which provides:

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

1 Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be other
2 than or different from the facts now believed to be true, the release of claims contained herein shall
3 be effective as to all unknown claims.

4 **VIII. SETTLEMENT ADMINISTRATOR**

5 Plaintiffs and Defendant, through their respective counsel, have selected Phoenix
6 Settlement Administrators (“Phoenix”) as the Settlement Administrator to administer the
7 Settlement, which includes but is not limited to distributing and responding to inquiries about the
8 Notice, determining the validity of any Workweeks Disputes, Requests to be Excluded, and
9 Objections, and calculating all amounts to be paid from the Net Settlement Fund. Charges and
10 expenses of the Settlement Administrator (i.e., Administration Costs) are estimated to be no more
11 than \$10,000.00 and will be paid from the Maximum Settlement Amount. Any charges and
12 expenses of the Settlement Administrator greater than the allocated \$10,000.00 will be paid from
13 the Maximum Settlement Amount, subject to approval by the Court. If the actual Administration
14 Costs are less than the Parties’ estimation, the difference between the actual and estimated
15 Administration Costs will be part of the Net Settlement Fund. The Parties agree that this Agreement
16 may be provided to the Settlement Administrator to effectuate its implementation of the settlement
17 procedures herein.

18 **IX. CLASS COUNSEL ATTORNEYS’ FEES AND LITIGATION COSTS**

19 A. Defendant shall not oppose an application by Class Counsel for, and Class Counsel
20 shall not seek or receive an amount in excess of, \$262,500.00 (which is approximately 34% of the
21 Maximum Settlement Amount) for all past and future attorneys’ fees necessary to prosecute, settle
22 and administer the Litigation and this Settlement (i.e., Attorneys’ Fees). Additionally, Defendant
23 shall not oppose an application by Class Counsel for, and Class Counsel shall not seek or receive
24 an amount in excess of, \$25,000.00, which represents all past and future litigation costs and
25 expenses necessary to prosecute, settle and administer the Litigation and this Settlement (i.e.,
26 Litigation Costs). Any Attorneys’ Fees or Litigation Costs awarded to Class Counsel by the Court
27 as part of the Settlement shall be deducted from the Maximum Settlement Amount for the purpose
28 of determining the Net Settlement Fund. The “future” aspect of these amounts includes, without

1 limitation, all time and expenses expended by Class Counsel in defending the Settlement and
2 securing preliminary and final approval (including any appeals therein). There will be no additional
3 charge of any kind to either the members of the Class or request for additional consideration from
4 Defendant for such work. The Attorneys' Fees and Litigation Costs shall include all attorneys'
5 fees, litigation costs, and expenses for which Plaintiffs and Class Counsel could claim under any
6 legal theory whatsoever with respect to the Litigation. Within twenty-one (21) calendar days
7 following the Effective Date, the Settlement Administrator shall disburse payment to Class Counsel
8 from the Maximum Settlement Amount for the Court-approved Attorneys' Fees and Litigation
9 Costs. Should the Court approve a lesser percentage or amount of Attorneys' Fees and/or Litigation
10 Costs than the amount that Class Counsel ultimately seeks, then any such unapproved portion or
11 portions shall be part of the Net Settlement Fund to be distributed to Settlement Class Members on
12 a *pro rata* basis. Plaintiffs shall not have the right to revoke the Settlement Agreement if the Court
13 reduces or does not approve the requested Attorneys' Fees and Litigation Costs, although Plaintiffs
14 shall retain the right to appeal any reduction of Attorneys' Fees and Litigation Costs.

15 **B.** With respect to the Attorneys' Fees and Litigation Costs to Class Counsel, the
16 Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or
17 other attorney fee deferral vehicles, for Class Counsel. Any additional expenses for the purchase of
18 an annuity by the Settlement Administrator shall be paid separately by Class Counsel and shall not
19 be included within the Administration Costs. Defendant and Defendant's counsel will not be liable
20 for any expenses associated with the purchase of an annuity by the Settlement Administrator.

21 **X. ENHANCEMENT PAYMENTS TO PLAINTIFFS**

22 Defendant shall not oppose an application by Plaintiffs, and Plaintiffs shall not seek or
23 receive an amount in excess of \$7,500.00 each to Plaintiff Perez and Plaintiff Rios, or in excess of
24 \$2,500.00 to Plaintiff Padilla, for each of their respective participation in and assistance with the
25 Litigation, for a total of \$17,500.00 ("Enhancement Payments"). Any Enhancement Payment
26 awarded to Plaintiffs by the Court as part of the Settlement shall be deducted from the Maximum
27 Settlement Amount for the purpose of determining the Net Settlement Fund, and shall be reported
28 on IRS Form 1099. If the Court approves an Enhancement Payment of less than \$7,500.00 to either

1 or both of Plaintiffs Perez and/or Rios, or less than \$2,500.00 to Plaintiff PAadilla, then the
2 unapproved portion or portions shall be part of the Net Settlement Fund to be distributed to
3 Settlement Class Members on a *pro rata* basis.

4 **XI. PAGA ALLOCATION**

5 In order to implement the terms of this Settlement and to settle claims alleged under the
6 Private Attorneys General Act, California Labor Code section 2698 *et seq.*, the Parties agree to
7 allocate Sixty-Five Thousand Dollars (\$65,000.00) from the Maximum Settlement Amount as
8 penalties authorized by the PAGA (“PAGA Penalties”). Seventy-five percent (75%) of the PAGA
9 Penalties will be distributed to the Labor and Workforce Development Agency (“LWDA
10 Payment”) and 25% of the PAGA Penalties will be part of the Net Settlement Fund for distribution
11 to the Settlement Class Members who worked for Defendant during the PAGA Period. Within
12 twenty-one (21) calendar days following the Effective Date, the Settlement Administrator will
13 disburse the LWDA Payment to the LWDA, and Class Counsel will provide notice to the LWDA
14 of the fact that the Settlement has been approved by the Court along with a copy of the Final
15 Approval Order through the appropriate LWDA/DIR website.

16 **XII. NOTICE, OBJECTIONS, AND EXCLUSION RIGHTS**

17 **A. Notice to Class Members.**

18 1. Plaintiffs and Defendant, through their respective attorneys, have jointly
19 prepared the Notice, which in substance will be provided to the Class Members as follows:

20 2. As soon as practicable following preliminary approval of the Settlement, but
21 no later than thirty (30) calendar days after the Court enters the Order granting preliminary approval
22 of the Settlement, Defendant will provide to the Settlement Administrator the following
23 information for each Class Member: (1) full name; (2) last known home address; (3) last known
24 telephone number; (4) dates of employment with Defendant as an hourly-paid or non-exempt
25 employee; (5) Social Security number; (6) the number of Workweeks worked during the Class
26 Period; (7) the number of Workweeks worked during the PAGA Period; and (8) whether or not the
27 Class Member signed a settlement agreement or cashed a settlement check from Defendant
28 (collectively, “Class List”). Defendant further agrees to consult with the Settlement Administrator

1 prior to the production date to ensure that the format will be acceptable to the Settlement
2 Administrator.

3 3. The Settlement Administrator shall run all the addresses provided through
4 the United States Postal Service NCOA database (which provides updated addresses for any
5 individual who has moved in the previous four years who has notified the U.S. Postal Service of a
6 forwarding address) to obtain current address information, and will mail the Notice Packet to the
7 Class Members via first-class U.S. Mail using the most current mailing address information
8 available, within ten (10) calendar days of the receipt of the Class List from Defendant.

9 4. The Notice will include information regarding the nature of the Litigation;
10 a summary of the terms of the Settlement; the definition of the Class; a statement that the Court has
11 preliminarily approved the Settlement; the nature and scope of the claims being released; the
12 procedure and time period for objecting to the Settlement, the date and location of the Final
13 Approval Hearing; information regarding the opt-out procedure; the number of Workweeks
14 credited to each Class Member during the Class Period and PAGA Period (if any), and their
15 estimated Individual Class Share and estimated Individual PAGA Share (together, their Individual
16 Settlement Payment).

17 5. If a Notice Packet is returned as undeliverable after the initial mailing, the
18 Settlement Administrator will perform a skip trace in an attempt to locate a more current address.
19 If the Settlement Administrator is successful in locating an updated address, it will re-mail the
20 Notice Packet to the Class Member. Further, any Notice Packets returned with a forwarding
21 address to the Settlement Administrator before the Response Deadline (as defined in Section I.X
22 above), will be re-mailed to the forwarding address affixed thereto. With respect to any Notice
23 Packet that is re-mailed, the Response Deadline for the Class Member whose Notice Packet is re-
24 mailed will be extended an additional fifteen (15) calendar days.

25 6. No later than twenty-five (25) calendar days before the Final Approval
26 Hearing, the Settlement Administrator shall provide counsel for Defendant and Class Counsel with
27 a declaration attesting to the completion of the settlement notice administration process, including
28 the number of attempts to obtain valid mailing addresses for and re-sending of any returned Notice

Packets, as well as the number of Workweeks Disputes, Requests to be Excluded, and Objections received.

B. Objections.

1. Any Class Member making an objection to the Settlement must not have submitted a Request to be Excluded (i.e., must not have opted out of the Settlement). To object to the Settlement, a Settlement Class Member may submit a timely and valid written objection to the Settlement (“Objection”) to the Settlement Administrator or appear at the Final Approval Hearing with or without submitting an Objection. The Settlement Class Member may appear personally or through an attorney, at his or her own expense, at the Final Approval Hearing to present his or her objection directly to the Court. However, any attorney who will represent an individual objecting to this Settlement must file a notice of appearance with the Court and serve Class Counsel and Defendant’s Counsel no later than the Response Deadline. A timely and valid Objection must: (1) contain the case name and number of the Litigation; (2) contain the Settlement Class Member’s name, address, telephone number, signature, and last four digits of his or her Social Security number; (3) clearly state the grounds for the objection; (4) state whether the Settlement Class Member intends to appear at the Final Approval Hearing; and (5) be mailed to the Settlement Administrator, postmarked no later than the Response Deadline. If a Class Member objects to the Settlement, the Class Member will remain a Settlement Class Member and if the Court approves this Agreement, the Settlement Class Member will be bound by the terms of the Settlement and Final Approval Order in the same way and to the same extent as a Settlement Class Member who does not object to the Settlement. The postmark date will be deemed the exclusive means for determining whether the Objection is timely. The date of the initial mailing of the Notice Packet to the objecting Settlement Class Member shall be conclusively determined according to the records of the Settlement Administrator. The Court retains final authority with respect to the consideration and admissibility of any objections to the Settlement from Settlement Class Members.

2. Class Members who submit a Request to be Excluded lack standing to object to the Settlement. In the event that a Class Member submits both a Request to be Excluded and an Objection, the Request to be Excluded will be valid, while the Objection will be considered invalid.

1 **C. Requests to be Excluded and Defendant's Opt-Out Threshold.**

2 1. To exclude himself or herself from the Settlement (i.e., to validly opt out), a
3 Class Member must submit a timely and valid written request for exclusion from the Settlement
4 ("Request to be Excluded") to the Settlement Administrator. A timely and valid Request to be
5 Excluded must: (1) contain the case name and number of the Litigation; (2) contain the Class
6 Member's full name, address, telephone number, and last four digits of his or her Social Security
7 number; (3) be signed by the Class Member or his or her authorized representative; (4) contain a
8 clear statement that the Class Member requests to be excluded from the Settlement; and (5) be
9 mailed to the Settlement Administrator, postmarked no later than the Response Deadline. The
10 postmark date will be deemed the exclusive means for determining whether the Request to be
11 Excluded is timely. The Notice shall contain instructions on how to opt out.

12 2. The date of the initial mailing of the Notice Packet, and the date the signed
13 Request to be Excluded was postmarked, shall be conclusively determined according to the records
14 of the Settlement Administrator. Any Class Member who submits a timely and valid Request to be
15 Excluded will not be a Settlement Class Member, will not be entitled to an Individual Settlement
16 Payment, will not be bound by the terms and conditions of the Settlement, and will not have any
17 right to object, appeal, or comment thereon. However, any Class Member who submits a timely
18 and valid Request to be Excluded will still be bound by the PAGA release contained in this
19 Agreement and will receive his or her Individual PAGA Share, if applicable.

20 3. Any Class Member who does not submit a timely and valid Request to be
21 Excluded to the Settlement Administrator will be deemed included in the Settlement in accordance
22 with this Settlement.

23 4. In the event that five percent (5%) or more of the Class Members exercise
24 their right to exclude themselves and opt out of the Settlement, Defendant retains the exclusive
25 right, but not the obligation, to withdraw from and terminate the Settlement and return all Parties
26 back to their same position before the Settlement was reached and the Settlement Agreement was
27 entered into. In the event that Defendant exercises such rights under this paragraph, Plaintiffs and
28 Defendant shall resume the Litigation through and until there is a final resolution of the Litigation.

1 Defendant must notify Class Counsel and the Court in writing of such a decision to withdraw and
2 terminate the Settlement no later than five (5) calendar days prior to the date of the Final Approval
3 Hearing. In the event of Defendant's withdrawal, no party may use the fact that the Parties agreed
4 to the Settlement for any reason, and Defendant shall pay all administration expenses incurred
5 through the date of its termination of the Settlement.

6 **D. Cooperation**

7 The Parties and their respective counsel agree not to encourage members of the Class to
8 refrain from participating in the Settlement, to opt out of the Settlement, or to object to the
9 Settlement, directly or indirectly, through any means. However, if a Class Member contacts Class
10 Counsel, Class Counsel may discuss the terms of the Settlement and the Class Member's options
11 with respect to the Settlement.

12 **XIII. DISPUTES PROCEDURE**

13 **A.** To dispute his or her number of Workweeks set forth in the Notice Packet, or dispute
14 that he or she signed a settlement agreement or cashed a settlement check from Defendant, a Class
15 Member must submit a timely and valid written Workweeks dispute ("Workweeks Dispute") to the
16 Settlement Administrator, either by way of written letter or by completing and returning the
17 Workweeks Dispute Form attached to the Notice. A timely and valid Workweeks Dispute must:
18 (a) contain the case name and number of the Litigation; (b) contain the Class Member's full name,
19 address, telephone number, signature, and last four digits of his or her Social Security number; (c)
20 contain a statement setting forth the number of Workweeks that such Class Member believes is
21 correct and attaches any relevant documentation in support thereof or contains a statement that the
22 Class Member did not sign a settlement agreement or cash a settlement check; and (d) be submitted
23 to the Settlement Administrator by mail, postmarked no later than the Response Deadline. The
24 postmark date will be deemed the exclusive means for determining whether the Workweeks
25 Dispute is timely. If a Class Member does not dispute his or her number of Workweeks, the
26 number of Workweeks set forth in the Notice Packet will govern the Individual Settlement Payment
27 to the Class Member and such Class Member need not take further action to participate in the
28 Settlement. If a Class Member does not dispute that he or she signed a settlement agreement or

1 cashed a settlement check, such Class Member need not take further action to participate in the
2 Settlement.

3 **B.** Upon timely receipt of any Workweeks Dispute, the Settlement Administrator, in
4 consultation with Class Counsel and counsel for Defendant, will review the pertinent records
5 showing the dates the Class Member worked for Defendant in California and the number of weeks
6 worked and/or whether or not the Class Member signed a settlement agreement or cashed a
7 settlement check, which records Defendant agrees to make available to the Settlement
8 Administrator and Class Counsel.

9 **C.** After consulting with Class Counsel and counsel for Defendant, the Settlement
10 Administrator shall compute the number of Workweeks to be used in computing the Class
11 Member's *pro rata* share of the Net Settlement Fund. In the event that there is a disparity between
12 the number of Workweeks a Class Member claims he or she worked and the number of Workweeks
13 indicated by Defendant's records, Defendant's records will control unless inconsistent with records
14 provided by the Class Member (or bona fide copies thereof), in which case the records provided by
15 the Class Member will control. The Settlement Administrator's decision as to the total number of
16 Workweeks and whether or not Class Members signed settlement agreements or cashed settlement
17 checks shall be final and non-appealable. The Settlement Administrator shall send written notice
18 of the decision on any such dispute to the Class Member, to Class Counsel, and counsel for
19 Defendant within ten (10) calendar days of receipt of the Workweeks Dispute.

20 **D.** Should any Class Member timely submit a timely Workweeks Dispute with a
21 deficiency, the Settlement Administrator shall, within five (5) calendar days of receipt, send a
22 deficiency notice. The deficiency notice will provide the Class Member the later of the Response
23 Deadline or fourteen (14) calendar days from the mailing of the deficiency notice to postmark a
24 written response to cure all deficiencies. The failure of a Class Member to timely respond to a
25 deficiency notice shall invalidate the dispute unless all Parties' counsel agree to allow the dispute.

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1 **XIV. COMPUTATION AND DISTRIBUTION OF PAYMENTS**

2 **A. Distribution Formula.**

3 1. Settlement Class Members (i.e., Class Members who do not opt out of the
4 Settlement) will receive a lump sum payment as good and valuable consideration for the waiver
5 and release of the Released Claims set forth in Section VII(A), above, against the Released Parties,
6 in an amount determined by the Settlement Administrator in accordance with the provisions of this
7 Agreement. Each Settlement Class Member's Individual Settlement Payment will be determined
8 as follows:

9 2. Defendant will calculate the total number of Workweeks of each Settlement
10 Class Member during the Class Period and during the PAGA Period.

11 3. The 25% portion of the PAGA Penalties (i.e., \$16,250.00) dedicated to
12 aggrieved employees shall be distributed to all Settlement Class Members who worked for
13 Defendant during the PAGA Period, regardless of whether they have received a prior settlement
14 check from Defendant, based on Workweeks during the PAGA Period. Specifically, the 25% of the
15 PAGA Penalties shall be divided by the total number of Workweeks worked by all Settlement Class
16 Members during the PAGA Period in order to establish the "PAGA Workweek Point Value." Each
17 Settlement Class Member's Workweeks during the PAGA Period will then be multiplied by the
18 PAGA Workweek Point Value to derive his or her Individual PAGA Share.

19 4. The Net Settlement Fund shall be distributed to Settlement Class Members
20 as follows:

- 21 i. 61.85% of the Net Settlement Fund will be allocated to all Settlement
22 Class Members who have not previously signed a settlement
23 agreement with Defendant or cashed a settlement check from
24 Defendant to release claims in the Litigation (i.e., Unpaid Settlement
25 Class Members), based on their Workweeks during the Class Period.
26 Specifically, this portion of the Net Settlement Fund shall be divided
27 by the total number of Workweeks worked by all Unpaid Settlement
28 Class Members during the Class Period in order to establish the

1 “Unpaid Workweek Point Value.” Each Unpaid Settlement Class
2 Member’s Workweeks during the Class Period will then be multiplied
3 by the Unpaid Workweek Point Value to derive his or her Individual
4 Class Share.

5 ii. 38.15% of the Net Settlement Fund will be allocated to all Settlement
6 Class Members who have previously signed a settlement agreement
7 with Defendant or cashed a settlement check from Defendant to
8 release claims in the Litigation (i.e., Paid Settlement Class Members),
9 based on their Workweeks during the Class Period. Specifically, this
10 portion of the Net Settlement Fund shall be divided by the total
11 number of Workweeks worked by all Paid Settlement Class Members
12 during the Class Period in order to establish the “Paid Workweek
13 Point Value.” Each Paid Settlement Class Member’s Workweeks
14 during the Class Period will then be multiplied by the Paid Workweek
15 Point Value to derive his or her Individual Class Share.

16 5. The net payment of each Settlement Class Member’s Individual Class Share
17 (after reduction for the employee’s share of taxes on the wage portion per Section XV below) and
18 Individual PAGA Share (if applicable) is referred to as their “Individual Settlement Payment.” The
19 Settlement Administrator will issue the Individual Settlement Payment by way of a single check
20 which will include both the Individual Class Share and, if applicable, the Individual PAGA Share
21 of the Settlement Class Member.

22 **B. Funding of Settlement.**

23 Within fourteen (14) calendar days following the Effective Date, Defendant will deposit the
24 Maximum Settlement Amount (minus the \$200,000.00 Prior Payment Credit for settlement
25 payments Defendant already made to Class Members) into an interest-bearing account established
26 by the Settlement Administrator. At no time prior to the Effective Date shall Defendant be required
27 to escrow any portion of the Maximum Settlement Amount.

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1 **C. Time for Distribution.**

2 1. The Settlement Administrator shall cause the Maximum Settlement Amount
3 (inclusive of the Individual Settlement Payments (inclusive of their Individual Class Shares and, if
4 applicable, Individual PAGA Shares) to Settlement Class Members, the Court-approved Attorney's
5 Fees and Litigation Costs to Class Counsel, Court-approved Enhancement Payments to Plaintiffs,
6 Court-approved Administration Costs to the Settlement Administrator, and LWDA Payment to the
7 LWDA to be distributed within twenty- one (21) calendar days following the Effective Date.

8 2. If an Individual Settlement Payment check is returned to the Settlement
9 Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a
10 valid mailing address by performing a skip trace search and, if another address is identified, shall
11 mail the check to the newly identified address. Individual Settlement Payment checks issued to
12 Settlement Class Members will remain valid and negotiable for 180 calendar days from the date
13 the checks are issued, and thereafter, shall be cancelled. After the 180-day check-cashing deadline,
14 the attorneys for the Parties shall file a stipulation to amend the judgment that sets forth the total
15 amount paid to Settlement Class Members and the amount of unpaid residue, plus any interest on
16 such funds, to be paid to the *cy pres*. The funds associated with any Individual Settlement Payment
17 checks remaining uncashed after one hundred and eighty (180) calendar days of mailing shall be
18 paid to Legal Services of Northern California, 501 12th Street, Sacramento, CA 95814, after the
19 Court enters an Order approving the Parties' stipulation to amend the judgment. The Parties and
20 their counsel each represent that they do not have any financial interest in Legal Services of
21 Northern California or otherwise have a relationship with Legal Services of Northern California
22 that could create a conflict of interest.

23 **XV. TAXATION AND ALLOCATION**

24 A. The Parties agree that all employment taxes and other legally required withholdings
25 will be withheld from payments to the Settlement Class Members and Plaintiffs based on this
26 Settlement Agreement as provided for in this Section.

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1 **B.** In Defendant's sole discretion, and to which Plaintiffs and Class Counsel do not
2 object, the amount of federal income tax withholding will be based upon a flat withholding rate for
3 supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or
4 supplemented. Income tax withholdings will also be made pursuant to applicable state and/or local
5 withholding codes or regulations.

6 **C.** For withholding tax characterization purposes and payment of taxes, the Individual
7 Class Shares to Settlement Class Members shall be deemed thirty-three percent (33%) as wages
8 and sixty-seven percent (67%) as penalties and interest. The portion allocated to wages will be
9 reported on an IRS Form W-2 and the portions allocated to interest and penalties will be reported
10 on an IRS Form-1099 by the Settlement Administrator. Settlement Class Members will be issued
11 payment of their Individual Class Share subject to reduction for the employee's share of taxes and
12 withholding with respect to the wage portion of their Individual Class Share. Individual PAGA
13 Shares will be allocated as one hundred percent (100%) penalties (to be reported on IRS Form
14 1099). The net payment of each Settlement Class Member's Individual Class Share (after
15 reduction for the employee's share of taxes on the wage portion) and Individual PAGA Share (if
16 applicable) is referred to as their "Individual Settlement Payment."

17 **D.** Forms W-2 and/or Forms 1099 will be distributed at times and in the manner
18 required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement,
19 by the Settlement Administrator. If the Code, the regulations promulgated thereunder, or other
20 applicable tax law, is changed after the date of this Agreement, the processes set forth in this Section
21 may be modified in a manner to bring Defendant into compliance with any such changes.

22 **E.** Finally, the employer's share of payroll taxes and contributions on the wages portion
23 of Individual Class Shares will be paid by Defendant separately and in addition to (and not as a
24 deduction from) the Maximum Settlement Amount.

25 **XVI. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN**

26 The amounts paid under this Agreement do not represent a modification of any previously
27 credited hours of service under any employee benefit plan, policy, or bonus program sponsored by
28 Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or

1 any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendant,
2 policies or bonus programs. Any payments made under the terms of this Settlement shall not be
3 applied retroactively, currently or on a going forward basis as salary, earnings, wages, or any other
4 form of compensation for the purposes of Defendant's benefit plan, policy or bonus program.
5 Defendant retains the right to modify the language of its benefit plan, policies and bonus programs
6 to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for
7 "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by
8 applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or
9 any other purpose, and that additional contributions or benefits are not required by this Settlement.

10 **XVII. COURT APPROVAL**

11 **A.** This Agreement and the Settlement is contingent upon final approval by the Court
12 and entry of judgment. Plaintiffs and Defendant agree to take all steps as may be reasonably
13 necessary to secure both preliminary approval and final approval of the Settlement, to the extent
14 not inconsistent with the terms of this Agreement, and will not take any action adverse to each other
15 in obtaining approval by the Court, and, if necessary, appellate approval, of the Settlement in all
16 respects. Plaintiffs and Defendant expressly agree that they will not file any objection to the terms
17 of the Settlement or assist or encourage any person or entity to file any such objection.

18 **B.** In the event it becomes impossible to secure approval of the Settlement, the Parties
19 will be restored to their respective positions in the Litigation, as of the date on which the Settlement
20 was reached, except as otherwise provided in Section XVIII, below.

21 **XVIII. MISCELLANEOUS PROVISIONS**

22 **A. Interim Stay of Litigation.** Plaintiffs and Defendant agree to the stay of all
23 proceedings in the Litigation, including with respect to California Code of Civil Procedure section
24 583.310, except such proceedings necessary to implement and complete the Settlement, pending
25 Final Approval of the Settlement by the Court.

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1 **B. Interpretation of the Agreement.**

2 1. This Agreement constitutes the entire agreement between Plaintiffs and
3 Defendant. Except as expressly provided herein, this Agreement has not been executed in reliance
4 upon any other written or oral representations or terms, and no such extrinsic oral or written
5 representations or terms will modify, vary or contradict its terms. In entering into this Agreement,
6 the Parties agree that this Agreement is to be construed according to its terms and may not be varied
7 or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the
8 laws of the State of California, both in its procedural and substantive aspects, without regard to its
9 conflict of laws provisions. Any claim arising out of or relating to the Agreement, or the subject
10 matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California
11 for the County of Yolo, and Plaintiffs and Defendant hereby consent to the personal jurisdiction of
12 the Court over them solely in connection therewith. Plaintiffs, on their own behalf and on behalf
13 of the Class, and Defendant participated in the negotiation and drafting of this Agreement and had
14 available to them the advice and assistance of independent counsel. As such, neither Plaintiffs nor
15 Defendant may claim that any ambiguity in this Agreement should be construed against the other.

16 2. The terms and conditions of this Agreement constitute the exclusive and
17 final understanding and expression of all agreements between Plaintiffs and Defendant with respect
18 to the Settlement.

19 **C. Further Cooperation.** Plaintiffs and Defendant and their respective attorneys shall
20 proceed diligently to prepare and execute all documents, to seek the necessary approvals from the
21 Court, and to do all things reasonably necessary or convenient to consummate the Agreement as
22 expeditiously as possible. If the Parties are unable to reach agreement on the form or content of
23 any document needed to implement the Settlement Agreement, or on any supplemental provisions
24 that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may
25 seek the assistance of the Mediator and then the Court to resolve such disagreement.

26 **D. Confidentiality of Documents.** After the expiration of any appeals period,
27 Plaintiffs, the Settlement Administrator, and Class Counsel shall maintain the confidentiality of all
28 documents, deposition transcripts, declarations and other information obtained in the Litigation,

1 unless necessary for appeal or such documents are ordered to be disclosed by the Court or by a
2 subpoena. Notwithstanding the foregoing, nothing in this Settlement Agreement shall restrict Class
3 Counsel from disclosing and including all publicly available information regarding this case and
4 the settlement in any documents filed with any court and/or judicial submissions (e.g., CV's,
5 declarations regarding adequacy or experience, etc.). Furthermore, Plaintiffs and Class Counsel
6 will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

7 **E. Counterparts.** The Agreement may be executed in one or more actual or non-
8 original counterparts, all of which will be considered one and the same instrument and all of which
9 will be considered duplicate originals.

10 **F. Authority.** Each individual signing below warrants that he or she has the authority
11 to execute this Agreement on behalf of the party for whom or which that individual signs.

12 **G. Signatories.** It is agreed that because the members of the Class are so numerous,
13 it is impossible or impractical to have each Settlement Class Member execute this Settlement
14 Agreement. The Notice will advise all Class Members of the binding nature of the release as to
15 the Settlement Class Members, and the release shall have the same force and effect as if this
16 Settlement Agreement were executed by each Settlement Class Member.

17 **H. No Third-Party Beneficiaries.** Plaintiffs, Settlement Class Members, and
18 Defendant are direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

19 **I. Modification.** This Agreement may not be changed, altered, or modified, except in
20 a writing signed by the counsel for the Parties, and approved by the Court. Notwithstanding the
21 forgoing, the Parties agree that any dates contained in this Agreement may be modified by
22 agreement of counsel for the Parties in writing without approval by the Court if the Parties agree
23 and cause exists for such modification. This Agreement may not be discharged except by
24 performance in accordance with its terms or by a writing signed by the Parties.

25 **J. Deadlines Falling on Weekends or Holidays.** To the extent that any deadline set
26 forth in this Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be
27 continued until the following business day.

28 ///

1 **K. Severability.** In the event that any one or more of the provisions contained in this
2 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
3 invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendant's
4 Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in
5 writing to proceed as if such invalid, illegal, or unenforceable provision had never been included
6 in this Agreement.

7 **L. Final Approval Order and Judgment.** The Parties shall provide the Settlement
8 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the
9 Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its
10 website for sixty (60) calendar days. No individualized notice to the Class will be required.

11 **M. Binding on Successors and Assigns.** This Settlement Agreement will be binding
12 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
13 defined.

14 **IT IS SO AGREED:**

15 Date: 05/31/2022, 2022

IGNACIO PEREZ

Electronically Signed 2022-05-31 17:16:23 UTC - 67.174.245.88
Ignacio Perez
Nintex AssureSign® b6875e79-4e7c-4d44-aeb0-aea60119b63d

IGNACIO PEREZ, *Plaintiff*

18 Date: _____, 2022

KAREN RIOS

KAREN RIOS, *Plaintiff*

22 Date: _____, 2022

LISZANDRA PADILLA

LISZANDRA PADILLA, *Plaintiff*

25 Date: _____, 2022

COMMUNICARE HEALTH CENTERS

Melissa Marshall, M.D.
CEO, CommuniCare Health Centers

1 **K. Severability.** In the event that any one or more of the provisions contained in this
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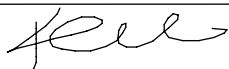
15 Date: _____, 2022

IGNACIO PEREZ

17 _____
IGNACIO PEREZ, *Plaintiff*

18 Date: ^{05/31/2022}_____, 2022

KAREN RIOS

19 Electronically Signed  2022-05-31 22:42:17 UTC - 107.127.14.63
Nimble AssureSign® v200992c-b5f4-4a39-9d8b-aea6011af34c

20 _____
KAREN RIOS, *Plaintiff*

21 Date: _____, 2022

LISZANDRA PADILLA

23 _____
LISZANDRA PADILLA, *Plaintiff*

24 Date: _____, 2022

COMMUNICARE HEALTH CENTERS

26 _____
27 Melissa Marshall, M.D.
28 CEO, CommuniCare Health Centers

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13 defined.

14 **IT IS SO AGREED:**

15 Date: _____, 2022

IGNACIO PEREZ

17 _____
IGNACIO PEREZ, *Plaintiff*

18 Date: _____, 2022

KAREN RIOS

20 _____
KAREN RIOS, *Plaintiff*

21 Date: ^{06/03/2022}_____, 2022

LISZANDRA PADILLA

23 Electronically Signed _____ 2022-06-03 16:24:29 UTC - 73.116.24.120
hntex AssureSign®  hntex5502-290e-495d-9efb-aea701439b08

LISZANDRA PADILLA, *Plaintiff*

25 Date: _____, 2022

COMMUNICARE HEALTH CENTERS

27 _____
Melissa Marshall, M.D.
CEO, CommuniCare Health Centers

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14 **IT IS SO AGREED:**

15 Date: _____, 2022

IGNACIO PEREZ

17 _____
IGNACIO PEREZ, *Plaintiff*

18 Date: _____, 2022

KAREN RIOS

20 _____
KAREN RIOS, *Plaintiff*

21 Date: _____, 2022

LISZANDRA PADILLA

23 _____
LISZANDRA PADILLA, *Plaintiff*

24 Date: May 31, 2022

COMMUNICARE HEALTH CENTERS

26 _____
27 Melissa Marshall, M.D.
28 CEO, CommuniCare Health Centers

1
2 **APPROVED AS TO FORM:**

3 Date: 05/31/2022, 2022

LAWYERS *for* JUSTICE, PC

4
5 

6 Edwin Aiwarzian
Attorneys for Plaintiffs and Proposed Class Counsel

7 Date: _____, 2022

MEDINA McKELVEY LLP

8
9
10 _____
Brandon R. McKelvey
Alexander M. Medina
Attorneys for Defendant CommuniCare Health Centers

1
2 **APPROVED AS TO FORM:**

3 Date: _____, 2022

LAWYERS *for* JUSTICE, PC

4
5
6 _____
Edwin Aiwarzian
Attorneys for Plaintiffs and Proposed Class Counsel

7 Date: June 1, 2022

MEDINA McKELVEY LLP

8
9 _____
Brandon R. McKelvey
Alexander M. Medina
Attorneys for Defendant CommuniCare Health Centers