

MOON & YANG, APC
Kane Moon (SBN 249834)
kane.moon@moonyanglaw.com
Allen Feghali (SBN 301080)
allen.feghali@moonyanglaw.com
Edwin Kamarzarian (SBN 327830)
edwin.kamarzarian@moonyanglaw.com
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

Attorneys for Plaintiff Alessandro James Hickey

DEBRA ELLWOOD MEPPEN (SBN 183885)
ANTHONY J. BELLONE (SBN 119450)
GENE F. WILLIAMS (SBN 211390)
GORDON REES SCULLY MANSUKHANI, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, California 90071
Telephone: (213) 576-5043
Facsimile: (213) 680-4470

Attorneys for Defendant Florence Crittenton Services of Orange County, Inc.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE – CIVIL COMPLEX CENTER

ALESSANDRO JAMES HICKEY,
individually, and on behalf of all others
similarly situated,

Plaintiff,

vs.

FLORENCE CRITTENTON SERVICES OF
ORANGE COUNTY, INC., a California
corporation; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 30-2020-01168166-CU-OE-CXC

[Assigned to Hon. William Claster, Dept. CX-104]

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

Complaint filed: November 2, 2020
Trial date: Not set

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action Settlement ("Joint Stipulation of Settlement" or
3 "Settlement" or "Agreement") is made and entered into by and between Plaintiff ALESSANDRO JAMES
4 HICKEY, individually, and on behalf of all others similarly situated, ("Plaintiff" or "Class
5 Representative"), and Defendant FLORENCE CRITTENTON SERVICES OF ORANGE COUNTY,
6 INC. ("Defendant"). Plaintiff and Defendant are collectively referred to herein as "the Parties."

7 THE PARTIES STIPULATE AND AGREE as follows:

8 **DEFINITIONS**

9 1. For purposes of this Settlement, "Complaint" refers to the operative complaint at the time
10 the Court grants Preliminary Approval of this Settlement.

11 2. For purposes of this Settlement, this matter, entitled *Hickey v. Florence Crittenton*
12 *Services Of Orange County, Inc.*, Case No. 30-2020-01168166-CU-OE-CXC, is referred to herein as the
13 "Action."

14 3. For purposes of this Settlement, the "Class Period" is November 2, 2016 through the date
15 on which the Court grants preliminary approval.

16 4. For purposes of this Settlement, the "Class" or "Class Members" consist of: All non-
17 exempt employees of Defendant who worked for Defendant in California during the Class Period.
18 "Settlement Class Members" are those Class Members who do not submit timely exclusion requests to the
19 Settlement Administrator. Defendant's best estimate is that the Class included approximately 823
20 individuals as of August 13, 2021.

21 5. For purposes of this Settlement, "Class Counsel" means MOON & YANG, APC.

22 6. For purposes of this Settlement, "Covered Workweeks" means the number of weeks a
23 Class Member worked at Defendant's locations in California during the Class Period.

24 7. For purposes of this Settlement, "Response Deadline" means the date sixty (60) days after
25 the Settlement Administrator initially mails the Notice to Settlement Class Members and the last date on
26 which Settlement Class Members may submit a request for exclusion or written objection to the
27 Settlement. In the case of a re-mailed Notice, the Response Deadline will be the later of 60 calendar days
28 after initial mailing or 14 calendar days from re-mailing. The Response Deadline may be extended only as

expressly described herein.

8. For purposes of the Settlement, "Defendant's Counsel" means GORDON REES SCULLY MANSUKHANI, LLP.

9. For purposes of this Settlement, "PAGA Allocation" means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). The Parties have agreed that the PAGA Allocation will be \$60,000 from the Gross Settlement Amount. Pursuant to PAGA, Seventy Five Percent (75%), or \$45,000, of the PAGA Penalty Payment will be paid to the LWDA ("PAGA Penalty Payment"), and Twenty Five Percent (25%), or \$15,000, of the LWDA Payment will be included in the Net Settlement Amount for PAGA Employees ("PAGA Settlement Payment").

10. For purposes of this Settlement, "PAGA Period" means the period between November 2, 2019 through t the date on which the Court grants preliminary approval.

11. For purposes of this Settlement, "PAGA Employee" means all Class Members that worked during the PAGA Period. It is stipulated by the Parties that, for purposes of this Settlement, all PAGA Employees are "aggrieved employees" as defined pursuant to PAGA.

12. For purposes of this Settlement, "PAGA Pay Periods" means the number of pay periods each PAGA Employee worked during the PAGA Period.

13. For purposes of this Settlement, "PAGA Representative" means Plaintiff.

14. For purposes of this Settlement, "Released PAGA Claims" means all claims asserted through California Labor Code §§ 2698, *et seq.*, that arise out of or are related to the Released Claims set forth below, and are subject to assertion through PAGA based on the content of notice letter submitted to the LWDA by Plaintiff.

15. For purposes of this Settlement, "Released PAGA Claims Period" means the period between November 2, 2019 through the date on which the Court grants preliminary approval.

16. For purposes of this Settlement, "Settlement Payments" means all of the payments to Settlement Class Members (the "Settlement Class Payments") and all of the payments to PAGA Employees (the "PAGA Settlement Payment").

STIPULATED BACKGROUND

17. On November 2, 2020, Plaintiff filed a putative Class Action alleging the following causes of action: (1) Failure to Pay Minimum and Straight Time Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; (5) Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; (6) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and (7) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]. (The “Action.”) In the Complaint, Plaintiff sought to represent all persons that worked for Defendant in California as an hourly-paid, non-exempt employee at any time during the period beginning four years before the filing of the initial complaint and ending when Notice to the Class is sent.

18. Plaintiff satisfied the administrative exhaustion requirement that is a prerequisite to filing a claim for Civil Penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, et seq.] (“PAGA”). On January 19, 2021, Plaintiff filed a First Amended Complaint adding a cause of action for Civil Penalties under PAGA [Cal. Lab. Code § 2699, et seq.].

19. Solely for purposes of settling this case, the Parties and their respective counsel stipulate and agree that the requisites for establishing class certification with respect to the Class Members have been met and are met. More specifically, the Parties stipulate and agree that:

- (a) The Class is ascertainable and so numerous as to make it impracticable to join all Class Members.
- (b) There are common questions of law and fact including, but not limited to, the following:
 - 1) Whether or not Defendant paid proper wages to the Class;
 - 2) Whether or not Defendant provided meal periods to the Class;
 - 3) Whether or not Defendant provided rest periods to the Class;
 - 4) Whether or not Defendant paid compensation timely upon separation of employment to former Class Members;
 - 5) Whether or not Defendant paid compensation timely throughout Class

Members' employment;

6) Whether or not Defendant provided accurate itemized statements to the Class;

7) Whether or not waiting-time penalties are available to the Class for violation of California Labor Code § 203;

8) Whether or not Defendant maintained requisite records;

9) Whether or not Defendant paid proper meal period pay or rest period pay to the Class; and,

10) Whether or not Defendant engaged in unlawful or unfair business practices affecting the Class in violation of California Business and Professions Code §§ 17200-17208.

(c) Plaintiff's claims are typical of the claims of the Class Members.

(d) Plaintiff and Class Counsel will fairly and adequately protect the interests of the Class.

(e) The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

(f) With respect to the Class, questions of law and fact common to the members of the Class predominate over any questions affecting any individual member in such Class, and that a class action is superior to other available means for the fair and efficient adjudication of the controversy.

20. Should, for whatever reason, the Settlement not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether the Class Members and/or the Class Claims should be certified in a non-Settlement context in this Action or in any other lawsuit. Defendant expressly reserves its right to oppose claim or class certification in this or any other action should this Settlement not become effective.

21. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the

1 claims alleged in the Complaint, and Defendant further denies that, for any purpose other than settling this
2 lawsuit, the action is appropriate for class or representative treatment. With respect to Plaintiff's claims,
3 Defendant contends, among other things, that Plaintiff and the Class Members have been paid proper
4 wages, have been provided compliant meal periods, have been provided compliant rest periods, have been
5 paid timely wages upon separation of employment, and have been provided with accurate itemized wage
6 statements. Defendant contends, among other things, that it has complied at all times with the California
7 Labor Code and the applicable Wage Orders of the Industrial Welfare Commission. Furthermore, with
8 respect to all claims, Defendant contends that it has complied at all times with the California Business and
9 Professions Code.

10 22. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge
11 all disputes and claims arising from or related to the Complaint.

12 23. Class Counsel has conducted a thorough investigation into the facts of this Action,
13 including an extensive review of relevant documents, and has diligently pursued an investigation of the
14 claims of the Class against Defendant. Based on its own independent investigation and evaluation, Class
15 Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set
16 forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the
17 Class in light of all known facts and circumstances, including the risk of significant delay, the risk the
18 Class will not be certified by the Court, defenses asserted by Defendant, and numerous potential appellate
19 issues. Defendant and Defendant's Counsel also agree that the Settlement is fair and in the best interest of
20 the Class.

21 24. The Parties agree to cooperate and take all steps necessary and appropriate to obtain
22 preliminary and final approval of this Settlement.

23 25. The Parties agree to stay all proceedings in the Action, except such proceedings necessary
24 to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the
25 Court.

26 **PRIMARY TERMS OF SETTLEMENT**

27 26. NOW THEREFORE, in consideration of the mutual covenants, promises and agreements
28 set forth herein, the Parties agree, subject to the Court's approval, as follows:

- 1 (a) It is agreed by and among the Class and Defendant that this case and any claims,
2 damages, or causes of action arising out of the disputes which are the subject of
3 this case, be settled and compromised as between the Class and Defendant, subject
4 to the terms and conditions set forth in this Settlement and the approval of the
5 Court.
- 6 (b) Effective Date: The terms of settlement embodied in this Settlement shall become
7 effective when all of the following events have occurred: (i) this Joint Stipulation
8 of Settlement has been executed by all Parties and their respective counsel; (ii) the
9 Court has given preliminary approval to the Settlement; (iii) the Notice has been
10 given to the Class, providing them with an opportunity to dispute information
11 contained in the Notice, to opt out of the Settlement, or to object to the Settlement;
12 (iv) the Court has held a final approval hearing and entered a final order and
13 judgment certifying the Class and approving this Settlement; and (v) the later of the
14 following events: (a) the date final approval is granted if there are no objections to
15 the settlement; (b) sixty-five (65) days following notice of entry of the Court's final
16 order approving the Settlement if there are any objections by any Class Member;
17 (c) or if any appeal, writ or other appellate proceeding opposing this Settlement has
18 been filed within sixty-five (65) days following notice of entry of the Court's final
19 order approving the Settlement, then twenty (20) days after when any appeal, writ
20 or other appellate proceeding opposing the Settlement has been resolved finally
21 and conclusively with no right to pursue further remedies or relief. In this regard, it
22 is the intention of the Parties that the Settlement shall not become effective until the
23 Court's order approving the Settlement is completely final, and there is no further
24 recourse by an appellant or objector who seeks to contest the Settlement.
- 25 (c) Gross Settlement Amount: Defendant's maximum total payment under the
26 Settlement, including all attorney's fees and costs, the Service Payment to the
27 named Plaintiff, the costs of settlement administration, the PAGA Allocation, and
28 any other payments provided by this Settlement, is \$750,000.00 ("Gross Settlement

Amount”), subject to the Escalator Clause and except that, to the extent that any portions of the Class Members’ Settlement Payments constitute wages, Defendant will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions.

- (d) Escalator Clause: If it is later determined that the number of Class Members is more than 20% greater than 823 individuals at the time the class data is delivered to the Settlement Administrator to prepare the Notice, the Gross Settlement Amount shall be increased by one percent for each percent over twenty percent that the true number of Class Members exceeds the estimated number of Class Members (the “Escalator Clause”). The Gross Settlement Amount will not be reduced for any reason.
- (e) Non-reversionary Settlement: No portion of the Gross Settlement Amount will revert to Defendant.
- (f) No Claims Required: Class Members will not be required to submit a claim to receive their Settlement payment.
- (g) Net Settlement Amount: The Net Settlement Amount shall be calculated by deducting from the Gross Settlement Amount (\$750,000.00) the following sums, subject to approval by the Court: (1) attorney’s fees (not to exceed 33 1/3% of the Gross Settlement Amount, or \$250,000.00); (2) reasonable litigation costs (not to exceed \$15,000.00); (3) the Service Payment (not to exceed \$5,000.00 to the named Plaintiff); (4) the PAGA Penalty Payment in the amount of \$45,000.00 (which is 75% of the PAGA Allocation); and (5) costs of settlement administration (estimated not to exceed \$15,000). Settlement Payments to the Class Members will be calculated by the Settlement Administrator and paid out of the Net Settlement Amount as set forth below.
- (h) Payroll Taxes and Required Withholdings: To the extent that any portions of the Settlement Class Members’ Settlement Payments constitute wages, Defendant will be separately responsible for any **employer** payroll taxes required by law,

1 including the employer FICA, FUTA, and SDI contributions. Except for any
 2 employer payroll taxes, it is understood and agreed that Defendant's maximum
 3 total liability under this Settlement shall not exceed the Gross Settlement Amount.
 4 The Settlement Administrator will calculate and submit the Defendant's employer
 5 share of payroll taxes after advising Defendant of the total amount owed, in
 6 aggregate, as employer-side payroll taxes and receiving a lump sum payment from
 7 Defendant in that amount when the Gross Settlement Amount is delivered to the
 8 Settlement Administrator.

9 (i) Settlement Class Payments (Excludes PAGA Payments): Settlement Class
 10 Payments will be paid out of the Net Settlement Amount. Each Settlement Class
 11 Member will be paid a pro-rata share of the Net Settlement Amount (less the
 12 PAGA Settlement Payments), as calculated by the Settlement Administrator. The
 13 pro-rata share will be determined by comparing the individual Settlement Class
 14 Member's Covered Workweeks employed during the Class Period in California to
 15 the total Covered Workweeks of all the Settlement Class Members during the
 16 Class Period as follows:
$$\frac{[\text{Workweeks worked by a Settlement Class Member}]}{[\text{Sum of all Covered Workweeks worked by all Settlement Class Members}]} \times [\text{Net Settlement Amount} - \text{all PAGA Settlement Payments}] = \text{individual Settlement Payment for a Settlement Class Member.}$$

 17 Settlement Class Payments in the
 18 appropriate amounts will be distributed by the Settlement Administrator by mail to
 19 the Settlement Class Members. Un-cashed, unclaimed or abandoned checks, shall
 20 be transmitted to the California Controller's Office, as set forth below.

21 (j) PAGA Payments: PAGA Settlement Payments will be paid out of the Net
 22 Settlement Amount. Each PAGA Employee will be paid a pro-rata share of the
 23 PAGA Employees' PAGA Settlement Payment, as calculated by the Settlement
 24 Administrator. Class Members will not be permitted to exclude themselves from
 25 this portion of the Settlement. The pro-rata share will be determined by comparing
 26 the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to
 27
 28

1 the total PAGA Pay Periods of all the PAGA Employees during the PAGA Period
2 as follows: [PAGA Pay Periods worked by a PAGA Employee] ÷ [Sum of all
3 PAGA Pay Periods worked by all PAGA Employees] × [PAGA Settlement
4 Payment] = individual PAGA Employee's portion of the PAGA Settlement
5 Payment. PAGA Settlement Payments to PAGA Employees in the appropriate
6 amounts will be distributed by the Settlement Administrator by mail to the PAGA
7 Employees at the same time Settlement Class Payments issue to the Settlement
8 Class. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the
9 California Controller's Office, as set forth below. The LWDA's PAGA Penalty
10 Payment will issue to the LWDA at the same time Settlement Payments issue to
11 the Settlement Class.

12 (k) Allocation of Settlement Payments: The Parties have agreed that Settlement Class
13 Payments will be allocated as follows: 20% to wages and 80% to penalties and
14 interest. The PAGA Settlement Payment shares to PAGA Employees will be
15 entirely allocated to penalties. Appropriate federal, state and local withholding
16 taxes will be taken out of the wage allocations, and each Class Member will
17 receive an IRS Form W-2 with respect to this portion of the Settlement Payment.
18 The employer's share of payroll taxes and other required withholdings will be paid
19 as set forth above, including but not limited to the Defendant's FICA and FUTA
20 contributions, based on the payment of claims to the Class Members. IRS Forms
21 1099 will be issued to each Class Member reflecting the payments for penalties and
22 interest. Class Members are responsible to pay appropriate taxes due on the
23 Settlement Payments they receive. To the extent required by law, IRS Forms 1099
24 and W-2 will be issued to each Class Member with respect to such payments.

25 (l) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement
26 Payments to individual Class Members shall be deemed to be paid to such Class
27 Member solely in the year in which such payments actually are received by the
28 Class Member. It is expressly understood and agreed that the receipt of such

1 Settlement Payments will not entitle any Class Member to additional compensation
2 or benefits under any company bonus, contest or other compensation or benefit
3 plan or agreement in place during the period covered by the Settlement, nor will it
4 entitle any Class Member to any increased retirement, 401(k) benefits or matching
5 benefits or deferred compensation benefits. It is the intent that the Settlement
6 Payments provided for in this Settlement are the sole payments to be made by
7 Defendant to the Class Members, and that the Class Members are not entitled to
8 any new or additional compensation or benefits as a result of having received the
9 Settlement Payments (notwithstanding any contrary language or agreement in any
10 benefit or compensation plan document that might have been in effect during the
11 period covered by this Settlement).

12 (m) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not
13 object to Class Counsel's application for attorney's fees not to exceed 33 1/3% of
14 the Gross Settlement Amount (\$250,000.00) and reimbursement of litigation costs
15 and expenses not to exceed \$15,000.00.

16 (n) Service Payment: Subject to Court approval, and in exchange for a general release,
17 Defendant will not object to Class Counsel's application for an additional payment
18 of up to \$5,000.00 to Plaintiff for his service as a Class Representative ("Service
19 Payment"). It is understood that the Service Payment is in addition to the individual
20 Settlement Payment to which a Class Representative is entitled to along with the
21 other Class Members. In exchange, Plaintiff has agreed to release all claims,
22 whether known or unknown, under federal law or state law against the
23 Releasees, to the extent permitted by law, through the Class Period ("Plaintiff's
24 Released Claims"). Plaintiff understands that this release includes unknown
25 claims and that they are, as a result, waiving all rights and benefits afforded by
26 Section 1542 of the California Civil Code, which provides:

27 **A general release does not extend to claims that the creditor**
28 **or releasing party does not know or suspect to exist in his or**
her favor at the time of executing the release and that, if

known by him or her, would have materially affected his or her settlement with the debtor or released party.

Specifically excluded from Plaintiff's Released Claims are any claims for workers' compensation benefits. The Service Payment will issue at the same time all Settlement Payments are mailed to the Settlement Class.

(o) Defendant or the Settlement Administrator will issue an IRS Form 1099 for the Service Payment to the Plaintiff. The Plaintiff will be individually responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the amounts received. Should the Court approve a Service Payment in an amount less than that set forth above, the difference between the lesser amount(s) approved by the Court and the Service Payment amount(s) set forth above shall be added to the Net Settlement Amount. Plaintiff agrees not to opt out or object to the Service Payment as the Class Representative.

(p) Settlement Administrator: The Settlement Administrator will be ILYM Group, Inc., or such Settlement Administrator as may be mutually agreeable to the Parties and approved by the Court. Settlement Administration Costs are estimated not to exceed \$15,000. The costs of the Settlement Administrator for work done shall be paid regardless of the outcome of this Settlement.

(q) Funding of Settlement Account: Defendant will fund the settlement account within seven calendar days of the Effective Date of the Settlement provided that the Settlement Administrator has provided the Parties with an accounting of the amounts to be paid by Defendant pursuant to the terms of this Settlement.

(r) Mailing of Settlement Payments: The Settlement Administrator shall cause the Settlement Payments to be mailed to the Class Members within 7 calendar days of receipt thereof.

(s) Notice of Settlement: Each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to

1 object or request exclusion from the propose class action Settlement ("Notice").
2 For each Class Member, there will be pre-printed information on the mailed
3 Notice, based on Defendant's records, stating the Class Member's Covered
4 Workweeks during the Class Period and the estimated total Settlement Payment
5 under the Settlement, including the Settlement Class Payment and the PAGA
6 Settlement Payment that will be distributed irrespective of any exclusion request.
7 The pre-printed information based on Defendant's records shall be presumed to be
8 correct. A Class Member may dispute the pre-printed information on the Notice as
9 to his or her Covered Workweeks during the Class Period. Class Members must
10 submit any dispute regarding the information on the Notice as to his or her
11 Covered Workweeks within the Response Deadline.

12 (t) Settlement Notice Language: The Notice will issue in English and Spanish.

13 (u) Class Members Cannot Exclude Themselves from the Released PAGA Claims:
14 Class Members submitting a Request for Exclusion will nevertheless receive their
15 pro-rata share of the PAGA Settlement Payment. If the Court approves the
16 compromise of the PAGA Claim, all Class Members are bound by the Court's
17 resolution of that Claim. Plaintiff shall serve a notice of settlement on the
18 California Labor and Workforce Development Agency at or before the time
19 Plaintiff files the motion for preliminary approval.

20 (v) Resolution of Workweek Disputes: If a Class Member disputes the accuracy of
21 Defendant's records used to calculate Covered Workweeks, and the Parties'
22 counsel cannot resolve the dispute informally, the matter will be referred to the
23 Settlement Administrator. The Settlement Administrator will review Defendant's
24 records and any information or documents submitted by the Class Member. The
25 parties should file with the Court all disputes submitted by class members, the
26 evidence submitted, and the resolution of those disputes. The Court shall have the
27 right to review any decision made by the settlement administrator regarding a
28 claim dispute. The Class Member must submit information or documents

1 supporting his or her position to the Settlement Administrator prior to the
2 expiration of the Response Deadline. Information or documents submitted after
3 the expiration of the Response Deadline will not be considered by the Settlement
4 Administrator, unless otherwise agreed to by the Parties.

- 5 (w) Right of Class Member to Request Exclusion from the Settlement: Any Class
6 Member may request to be excluded from the Class by mailing a "Request for
7 Exclusion" from the Settlement within the Response Deadline, stating, as follows
8 or in substantially similar terms:

9 "I WISH TO BE EXCLUDED FROM THE CLASS IN THE
10 *HICKEY V. FLORENCE CRITTENTON SERVICES OF*
11 *ORANGE COUNTY, INC.*, CLASS ACTION LAWSUIT,
12 ORANGE COUNTY SUPERIOR COURT CASE NO. 30-
13 2020-01168166-CU-OE-CXC. I UNDERSTAND THAT IF I
14 ASK TO BE EXCLUDED FROM THE CLASS, I WILL NOT
15 RECEIVE ANY MONEY FROM THE SETTLEMENT
16 OTHER THAN MY SHARE OF THE PAGA PAYMENT."

17 Any Request for Exclusion must include the name, address, telephone number, last
18 four digits of the Class Member's Social Security Number, and the signature of the
19 Class Member requesting exclusion. Any such request must be made in
20 accordance with the terms of the Notice, and the Notice will advise Class Members
21 of these requirements. Any Class Member who timely requests exclusion in
22 compliance with these requirements (i) shall not have any rights under this
23 Settlement other than a right to receive a pro-rata share of the portion of the PAGA
24 payment allocated to the Class Members if the Class Member is also a PAGA
25 Employee; (ii) shall not be entitled to receive any Settlement Payments under this
26 Settlement other than as stated in (i) in this paragraph; and (iii) shall not be bound
27 by this Settlement or the Court's Order and Final Judgment other than as it applies
28 to the PAGA Claim.

- (x) Right of Settlement Class Member to Object to The Settlement: Any Class
Member may object to the Settlement. To object, the Class Member may (1)
appear in person at the Final Approval Hearing to explain any objection, (2) have

1 an attorney object for the Class Member, *or* (3) submit a simple written brief or
2 statement of objection to the Settlement Administrator. If any Class Member
3 chooses to submit a written objection, the written objection should contain
4 sufficient information to confirm the identity of the objector and the basis of the
5 objection, including (1) the full name of the Settlement Class Member; (2) the
6 signature of the Settlement Class Member; (3) the grounds for the objection; and
7 (4) be postmarked within the Response Deadline to permit adequate time for
8 processing and review by the Parties of the written statement or objection. Class
9 Counsel shall ensure that any written objections are transmitted to the Court for the
10 Court's review (either by Class Counsel or as an attachment to declaration from the
11 Settlement Administrator). Regardless of the form, an objection alone will not
12 satisfy the requirement that a Settlement Class Member must either make a timely
13 complaint in intervention before final judgment or by file a motion to set aside and
14 vacate the class judgment under Code of Civil Procedure § 663 to have standing to
15 appeal entry of judgment approving this Settlement, as is required under the
16 California Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal.
17 5th 260 (2018). A Class Member who does not object prior to or at the Final
18 Approval Hearing, will be deemed to have waived any objections and will be
19 foreclosed from making any objections (whether at the Final Approval Hearing, by
20 appeal, or otherwise) to the Settlement. If the objecting Class Member does not
21 formally intervene in the action or move to set aside any judgment and/or the Court
22 rejects the Class Member's objection, the Class Member will still be bound by the
23 terms of this Agreement. Class Counsel and Defendant's Counsel may, at least
24 five (5) calendar days (or some other number of days as the Court shall specify)
25 before the final approval hearing, file responses to any written objections submitted
26 to the Court.

27 (y) Opt-in to Release Under Fair Labor Standards Act: Settlement Class Members will
28 be advised that they will opt into a settlement of claims for unpaid compensation

1 under the Fair Labor Standards Act ("FLSA") by cashing or otherwise depositing
2 the check for their Settlement Class Payment. This will be set forth in the Notice.

3 **THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES**

4 27. Subject to the Court's approval, and subject to reconsideration by the Parties after a
5 competitive bidding process, the Parties have agreed to the appointment of ILYM Group, Inc. to perform
6 the customary duties of Settlement Administrator. The Settlement Administrator will mail the Notice, in
7 both English and Spanish, to the Class Members.

8 28. The Settlement Administrator will independently review the Covered Workweeks
9 attributed to each Class Member and will calculate the estimated amounts due to each Class Member and
10 the actual amounts due to each Settlement Class Member in accordance with this Settlement. The
11 Settlement Administrator shall report, in summary or narrative form, the substance of its findings. The
12 Settlement Administrator shall be granted reasonable access to Defendant's records in order to perform its
13 duties.

14 29. In accordance with the terms of this Settlement, and upon receipt of Gross Settlement
15 Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment
16 checks to the Class Members. Tax treatment of the Settlement Payments will be as set forth herein, and in
17 accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's
18 performance of its duties shall be referred to the Court, if necessary, which will have continuing
19 jurisdiction pursuant to California Code of Civil Procedure § 664.6 over the terms and conditions of this
20 Settlement until all payments and obligations contemplated by this Settlement have been fully carried out.

21 **ATTORNEY'S FEES AND COSTS**

22 30. In consideration for resolving this matter and in exchange for the release of all claims by
23 the Class Members, including Plaintiff, and subject to approval by the Court, Defendant will not object to
24 Class Counsel's application for attorney's fees not to exceed 33 1/3% of the Gross Settlement Amount
25 (\$250,000.00 of \$750,000.00) and litigation costs not to exceed \$15,000.00. The amounts set forth above
26 will cover all work performed and all fees and costs incurred to date, and all work to be performed and all
27 fees and costs to be incurred in connection with the approval by the Court of this Settlement and
28 administration of the Settlement. Should Class Counsel request a lesser amount and/or the Court approve

1 a lesser amount(s) of attorney's fees and/or attorneys' costs, the difference between the lesser amount(s)
2 and the maximum amount set forth above shall be added to the Net Settlement Amount. As with the
3 Settlement Payments to the Settlement Class, the attorney's fees and costs approved by the Court shall be
4 paid to Class Counsel, within 7 calendar days of receipt thereof. In the event that the Court awards less
5 than 25% of the Gross Settlement Amount for attorney's fees, Class Counsel shall retain the right to appeal
6 that portion of any Final Approval Order and Judgment.

7 THE NOTICE PROCESS

8 31. A Notice in approximately the form attached hereto as Exhibit "A," and as approved by the
9 Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. The Notice
10 shall be translated into Spanish so that Spanish and English language versions of the Notice are included in
11 the mailing. Any returned envelopes from this mailing with forwarding addresses will be utilized by the
12 Settlement Administrator to forward the Notices to the Class.

13 (a) Within 7 calendar days from the date of preliminary approval of this Settlement by
14 the Court, Defendant shall provide to the Settlement Administrator a class database
15 containing the following information for each Class Member: (1) name; (2) last
16 known address; (3) social security number; and (5) dates of employment at
17 Defendant's locations in California. This database shall be based on Defendant's
18 payroll and other business records and shall be provided in a format acceptable to
19 the Settlement Administrator. Defendant agrees to consult with the Settlement
20 Administrator prior to the production date to ensure that the format will be
21 acceptable to the Settlement Administrator. The Settlement Administrator will run
22 a check of the Class Members' addresses against those on file with the U.S. Postal
23 Service's National Change of Address List; this check will be performed only once
24 per Class Member by the Settlement Administrator.

25 (b) Within 14 calendar days after the Class database is provided to the Settlement
26 Administrator, the Settlement Administrator will mail the Notices to the Class
27 Members by First Class United States mail.

28 (c) Notices returned to the Settlement Administrator as non-deliverable on or before

1 the initial Response Deadline shall be resent to the forwarding address, if any, on
2 the returned envelope. A returned Notice will be forwarded by the Settlement
3 Administrator any time that a forwarding address is provided with the returned
4 mail. If there is no forwarding address, the Settlement Administrator will do a
5 computer search for a new address using the Class Member's social security
6 number or other information. In any instance where a Notice is re-mailed, that
7 Class Member will have until the extended Response Deadline as described above.
8 A letter prepared by the Settlement Administrator will be included in the re-mailed
9 Notice in that instance, stating the extended Response Deadline. Upon completion
10 of these steps by the Settlement Administrator, Defendant and the Settlement
11 Administrator shall be deemed to have satisfied their obligations to provide the
12 Notice to the affected Class Member. The affected Class Member shall remain a
13 member of the Settlement Class and shall be bound by all the terms of the
14 Settlement and the Court's Order and Final Judgment.

- 15 (d) Class Counsel shall provide to the Court, a declaration by the Settlement
16 Administrator of due diligence, number of exclusions, objections, disputes, and
17 confirming mailing of the Notices attached with the Motion for Final Approval.

18 **DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS**

19 32. As set forth above, each Class Member will have until the expiration of the applicable
20 Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Class
21 Member's Covered Workweek information on the Notice. No disputes will be honored if they are
22 submitted after the Response Deadline, unless the Parties mutually agree to accept the untimely dispute.
23 Each Class Member is responsible for maintaining a copy of any documents sent to the Settlement
24 Administrator and a record of proof of mailing.

25 33. The Settlement Administrator shall cause the Settlement Payments to be mailed to the
26 Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and
27 PAGA Payments may be combined into one check. Settlement Payment checks shall remain valid and
28 negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will

1 automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member
2 within that time, and the Class Member's relevant claims will remain released by the Settlement.
3 Settlement Payment checks which have expired will not be reissued.

4 34. Funds from un-cashed or abandoned Settlement Payment checks, based on a 180-day void
5 date, shall be transmitted to the California State Controller's Office for Unclaimed Property in the name of
6 each Class Member who failed to cash their Settlement Payment check prior to the void date.

7 35. Upon completion of its calculation of Settlement Payments, the Settlement Administrator
8 shall provide Class Counsel and Defendant's Counsel with a report listing the amounts of all payments to
9 be made to Class Members (to be identified anonymously by employee number or other identifier). A
10 Declaration attesting to completion of all payment obligations will be provided to Class Counsel and
11 Defendant's Counsel and filed with the Court by Class Counsel.

12 **RELEASE BY THE CLASS**

13 36. Upon the final approval by the Court of this Settlement and Defendant's payment of all
14 sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this
15 Settlement, the Class Representative, the Class and each Class Member who has not submitted a valid and
16 timely request for exclusion as to claims other than the PAGA claim, will release claims as follows:

- 17 (a) **Identity of Released Parties.** The released parties are Defendant, each of
18 Defendant's current and former employees, managers, officers, and directors, and
19 each of Defendant's current and former owners, shareholders, and/or members
20 (collectively "Releasees").
- 21 (b) **Date Release Becomes Active.** The Released Claims will be released upon the
22 later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's
23 obligation to provide to the Settlement Administrator a sum in the amount required
24 to satisfy all required payments and distributions pursuant to this Settlement and
25 the Order and Judgment of final approval. Class Members will not release the
26 Released Claims or Released PAGA Claims until both the Effective Date of the
27 Settlement has occurred, **and** Defendant has paid all amounts owing under the
28 Settlement.

(c) **Claims Released by Settlement Class Members.** Each and every Class Member, on behalf of himself or herself and his or her heirs and assigns, unless he or she has submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases Releasees from the following claims for the entire Class Period:

- 1) any and all claims stated in the Action, or that could have been stated based on the facts alleged in the Action, including but not limited to state wage and hour claims (including all claims under the California Labor Code) for unpaid wages, minimum wage, overtime, off-the-clock work, meal periods, rest periods, wage statement violations, interest, penalties, and attorneys' fees, waiting time penalties, withholding from wages and the related provisions of the Labor Code including but limited to Labor Code §§ 201-204, 210, 216, 218.6, 226, 226.3, 226.7, 510, 512, 512.5, 558, 1194, 1194.2, 1198, derivative claims under California Business & Professions Code §§ 17200 et seq., and all claims under the governing Wage Order ("Released Claims");
- 2) as to any Class Member who cashes their Settlement Payment, the signing and negotiation of that check shall serve as the Class Member's consent to join the action for purposes of releasing claims arising under the Fair Labor Standards Act that are related to the claims stated in the Action, and,
- 3) in addition, as to *all* Class Members employed during the Released PAGA Claims Period, whether requesting exclusion from the Settlement or not, claims arising during the PAGA Claims Period under the Private Attorneys General Act of 2004, Labor Code § 2698 et seq., to the extent asserted in Plaintiff's administrative exhaustion letter submitted to the LWDA and any Complaint in this matter (i.e., the Released PAGA Claims).

EMPLOYMENT BY DEFENDANT

37. Employment of Plaintiff by Defendant is not consideration for, or a condition of, this

Settlement.

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

38. The Parties shall submit this Joint Stipulation of Class Action Settlement to the Court in support of Plaintiff's unopposed motion for preliminary approval for determination by the Court as to its fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation of Class Action Settlement, the Parties shall apply to the Court for the entry of an order:

- (a) Scheduling a final approval and fairness hearing on the question of whether the proposed Settlement, including payment of attorney's fees and costs, and the Class Representative's service payment, should be finally approved as fair, reasonable, and adequate as to the members of the Class;
- (b) Certifying a Class;
- (c) Approving as to form and content the proposed Notice;
- (d) Directing the mailing of the Notice;
- (e) Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court;
- (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the proposed Class Members; and,
- (g) Appointing ILYM Group, Inc. as the Settlement Administrator, and order the Settlement Administrator to issue Notices as outlined above.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

39. In conjunction with the hearing of a motion for final approval by the Court of the Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to Defendant's Counsel for review and approval and then submit to the Court a proposed final order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- (c) Approving the Service Payment to the Class Representative;

- (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement.
- (e) Adjudging Plaintiff and Class Counsel may adequately represent the Final Settlement Class for the purpose of entering into and implementing the Agreement;
- (f) Entering a final judgment in the action;
- (g) Adjudging that notwithstanding the submission of a timely request for exclusion, Class Members are still bound by the settlement and release of the Released PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), as requests to be excluded from the Settlement do not apply to the Released PAGA Claims, and further affirms that the State's claims for civil penalties pursuant to PAGA are also extinguished;
- (h) Directing the mailing of the final judgment directly to the Settlement Class Members along with their payments.

Any revised final judgments will also be provided to Defendant's Counsel for review and approval before they are submitted to the Court.

NULLIFICATION AND TERMINATION

40. This Settlement will be null and void if any of the following occur: (a) the Court should for any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than adjustments made to the attorney's fees and costs or granting of Service Payments; (c) the Court should for any reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or rendered void; or (e) the Settlement does not become final for any other reason.

41. If 10% or more of the Class Members opt out of this Settlement, then Defendant in its sole discretion may terminate, nullify and void this Settlement. The Settlement Administrator shall provide Defendant's Counsel with the information necessary to effectuate this provision on a regular basis, but no less frequently than on a monthly basis. To terminate this Settlement under this paragraph, Defendant's Counsel must give Plaintiff's Counsel written notice, by facsimile, e-mail, or mail, no later than 10 court days after the Settlement Administrator provides a final reporting of the total number of Class Members

1 who have exercised their right to opt out of the Settlement. If this option is exercised by Defendant,
2 Defendant shall be solely responsible for the costs incurred by the Settlement Administrator for the
3 settlement administration.

4 42. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement
5 shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or
6 proceedings shall have any force or effect and no party shall be bound by any of its terms, and (iii) all
7 Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been
8 neither entered into nor filed with the Court.

9 **PARTIES' AUTHORITY**

10 43. The signatories hereto hereby represent that they are fully authorized to enter into this
11 Settlement and bind the Parties hereto to the terms and conditions thereof.

12 **MUTUAL FULL COOPERATION**

13 44. The Parties agree to fully cooperate with each other to accomplish the terms of this
14 Settlement including, but not limited to, execution of such documents and taking such other action as
15 reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement
16 shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that
17 may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set
18 forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall, with the
19 assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the
20 Court's preliminary and final approval of this Settlement.

21 **NO PRIOR ASSIGNMENTS**

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

26 **NO ADMISSION OF LIABILITY**

27 46. Nothing contained herein, nor the consummation of this Settlement, is to be construed or
28 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.

1 Defendant denies all the claims and contentions alleged by the Plaintiff in this case. The Defendant has
2 entered into this Settlement solely with the intention to avoid further disputes and litigation with the
3 attendant inconvenience and expenses.

4 ENFORCEMENT ACTIONS

5 47. In the event that one or more of the Parties to this Settlement institutes any legal action or
6 other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare
7 rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover
8 from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees
9 incurred in connection with any enforcement actions.

10 NOTICES

11 48. Unless otherwise specifically provided herein, all notices, demands or other
12 communications given hereunder shall be in writing and shall be deemed to have been duly given as of the
13 third business day after mailing by United States registered or certified mail, return receipt requested,
14 addressed as follows:

15 Class Counsel:

16 MOON & YANG, APC
17 Kane Moon (SBN 249834)
18 *kane.moon@moonyanglaw.com*
19 Allen Feghali (SBN 301080)
20 *allen.feghali@moonyanglaw.com*
21 Edwin Kamarzarian (SBN 327830)
22 *edwin.kamarzarian@moonyanglaw.com*
23 1055 W. Seventh St., Suite 1880
24 Los Angeles, California 90017
25 Telephone: (213) 232-3128
26 Facsimile: (213) 232-3125

Counsel for Defendant:

DEBRA ELLWOOD MEPPEN (SBN
183885)
ANTHONY J. BELLONE (SBN 119450)
GENE F. WILLIAMS (SBN 211390)
GORDON REES SCULLY
MANSUKHANI, LLP
633 West Fifth Street, 52nd Floor
Los Angeles, California 90071
Telephone: (213) 576-5043
Facsimile: (213) 680-4470

23 CONSTRUCTION

24 49. The Parties hereto agree that the terms and conditions of this Settlement are the result of
25 lengthy, intensive arms-length negotiations between the Parties, and this Settlement shall not be construed
26 in favor of or against any party by reason of the extent to which any party or his, her or its counsel
27 participated in the drafting of this Settlement.

CAPTIONS AND INTERPRETATIONS

50. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision hereof. Each term of this Settlement is contractual and not merely a recital.

MODIFICATION

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

INTEGRATION CLAUSE

52. This Settlement contains the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

WAIVER OF APPEALS

53. The Parties agree to waive appeals and to stipulate to class certification for purposes of implementing this Settlement only, with the exception that Class Counsel retains the right to appeal the amount awarded as attorney's fees in the event that the Court awards less than twenty-five percent of the Gross Settlement Amount as attorney's fees.

NO KNOWLEDGE OF RELATED CASES

54. Neither the Parties nor their counsel are aware of any potentially related cases, or cases with partially or completely overlapping class definitions.

BINDING ON ASSIGNS

55. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

CLASS COUNSEL SIGNATORIES

56. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Settlement. The Notice will advise all Class Members of the binding nature of the Released Claims and Released PAGA Claims, and the release shall

1 have the same force and effect as if this Settlement were executed by each member of the Class.

2 **COUNTERPARTS**

3 57. This Settlement may be executed in counterparts and by electronic or facsimile signatures,
4 and when each party has signed and delivered at least one such counterpart, each counterpart shall be
5 deemed an original, and, when taken together with other signed counterparts, shall constitute one
6 Settlement, which shall be binding upon and effective as to all Parties.

7 **CONFIDENTIALITY & PUBLIC COMMENT**

8 58. The Class Representative and Class Counsel agree they will not make any disparaging
9 comments about Defendant relating to this Settlement of this class action or disclose the negotiations of
10 the Settlement. The Class Representative and Class Counsel shall only disclose matters of public record
11 other than to Class Members, who may receive information about the Settlement that is not in the public
12 record after the Court has preliminarily approved the Settlement. Other than as to Class Members or as
13 expressly allowed below, the Parties and attorneys will keep the settlement confidential until the filing of
14 the motion for preliminary approval of the class settlement. Thereafter, the Parties agree to make no
15 comments to the media or otherwise publicize the terms of the Settlement, other than in court filings. To
16 the extent counsel for either Party wish to advertise this settlement, such advertising will be limited to a
17 statement that a matter was settled between a putative class and a "social services provider." Any
18 communication about the Settlement to Class Members prior to the Court-approved mailing will be
19 limited to (1) a statement that a settlement has been reached, (2) a statement of any of the details that
20 would necessarily be included in any Court-approved Notice if a Class Member requests details about the
21 proposed Settlement, and (3) a warning that the terms of the proposed Settlement have not yet been
22 approved by the Court. Prior to preliminary approval, the Class Representative is prohibited from
23 discussing the terms or the fact of the settlement with third parties other than (1) a spouse, (2) accountants
24 or lawyers as necessary for tax purposes, or (3) Class Members. At all times, the Class Representative is
25 prohibited from communicating about the terms or the fact of the settlement on any form of social media
26 ("Social Media Bar"). In the event of a proven breach of the Social Media Bar, the violating Plaintiff shall
27 forfeit one-half of the class representative enhancement payment, as a form of liquidated damages. Class
28 Counsel will take all steps necessary to ensure the Class Representative are aware of, and will adhere to,

the restrictions against any public disclosure of the Settlement. Class Counsel will not include or use the settlement for any marketing or promotional purposes other than as expressly allowed above.

FINAL JUDGMENT

59. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

IT IS SO STIPULATED.

Plaintiff & Class Representative:

Dated: 12/7/2021

By:

DocuSigned by:

Alessandro Hickey

F23BD6560D7F411...

ALESSANDRO JAMES HICKEY

Plaintiff's Counsel:

Dated: December 7, 2021

MOON & YANG, APC

By:

[Signature]
Kane Moon
Allen Feghali
Edwin Kamarzarian

Defendant:

Dated: 11/30/2021

FLORENCE CRITTENTON SERVICES OF
ORANGE COUNTY, INC.

By:

Greg R. Eubanks, CEO

Name/Title

[Signature]

Signature

Defendant's Counsel:

Dated:

GORDON REES SCULLY MANSUKHANI, LLP



By: _____
Gene F. Williams

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit “A”

NOTICE OF SETTLEMENT OF CLASS ACTION

James Hickey v. Florence Crittenton Services of Orange County, Inc.
Superior Court of the State of California, County of Orange
Case No. 30-2020-01168166-CU-OE-CXC

To: all current and former non-exempt employees of Defendant Florence Crittenton Services of Orange County, Inc. (“Crittenton”) who worked in the State of California at any time between November 2, 2016 and _____, 2022 (the “Class”):

THIS NOTICE is of a proposed settlement of a class action lawsuit, and an announcement of a court hearing that you may choose to attend. Your rights may be affected by the legal proceedings in this action. The Court will conduct a hearing on _____, 2022 to address whether the proposed settlement should be approved (the “Final Approval Hearing”). You may be entitled to receive a payment under the terms of this class action settlement contained in the Settlement Agreement.

[IDENTIFYING INFORMATION]

You have been identified as a Class Member in the above lawsuit. Under the terms of the proposed settlement you are estimated to receive approximately **\$INSERT AMOUNT** as your share of the Net Settlement Amount should the Court grant the settlement in full. Please note that this is only an estimate. Your actual share of the Net Settlement Amount may be more or less than this estimate. Your estimate is based on the number of eligible weeks you worked at Crittenton in California between November 2, 2016 and _____, 2021 (the “Class Period”). Your options and eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	If you want to receive your settlement payment, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if the Settlement receives final approval by the Court. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Claims described in Section IV.
EXCLUDE YOURSELF	If you do not wish to participate in the settlement, you may “opt-out” of the settlement. If you choose to opt-out, you must submit a Request for Exclusion by _____, 2022 (see Section V for more details on how to opt-out). If you opt-out, you will no longer be a Class Member, and you will (1) <u>not</u> receive any settlement payment, but you will preserve your right to pursue the Released Claims described in Section IV subject to applicable statutes of limitations, and (2) be barred from filing an objection to the settlement.
OBJECT	If you decide to object to the settlement because you find it unfair or unreasonable, you must submit an objection stating why you object to the settlement by _____, 2021 (see Section V for more details on how to object).
DISPUTE YOUR NUMBER OF WORK WEEKS	If you believe that your number of Work Weeks listed above is incorrect, you may contact the Settlement Administrator to dispute your Work Week calculation (see Section IV for more details on how to dispute your Work Weeks). Defendants’ records will be presumed correct, but you may provide evidence to the Settlement Administrator showing that your Work Week calculation is inaccurate.

I. Why should I read this Notice?

The Court has granted preliminary approval of a proposed settlement (the “Settlement”) in *Hickey v. Florence Crittenton Services of Orange County, Inc.* Orange County Superior Court Case No. 30-2020-01168166-CU-OE-CXC (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

Crittenton's records show that you were employed in California as a non-exempt employee (meaning you were paid hourly or otherwise eligible for overtime pay) at some point between November 2, 2016 and _____, 2022 ("Class Period"). The Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you were employed by Crittenton as a non-exempt employee in California at any time during the Class Period, you are automatically included in the Settlement and do not need to take any further action to receive a payment.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the proposed Settlement, and to discuss your rights and options in connection with the Lawsuit and the Settlement.

II. What is this lawsuit about?

On November 2, 2020, Plaintiff and Class Representative Alessandro James Hickey, through his attorneys ("Class Counsel"), filed a class action complaint against Crittenton for alleged wage and hour violations on behalf of all current and former non-exempt employees who were employed by Crittenton in California at any time since November 2, 2016. Plaintiff alleges that Crittenton violated various Labor Code sections by failing to pay wages for all hours worked, provide all required meal and rest breaks, timely pay final wages, provide accurate and complete wage statements, and other related claims. On January 19, 2021, Plaintiff amended his complaint to allege penalties for the wage and hour violations under the Labor Code Private Attorneys General Act of 2004 ("PAGA").

Crittenton has denied, and continues to deny, the factual and legal allegations in the Lawsuit and believes that it has valid defenses to Plaintiff's claims. By agreeing to settle, Crittenton is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Crittenton has agreed to settle the case as part of a compromise with Plaintiff and the Class Members.

The Court has not ruled on the merits of Plaintiff's claims. And, by approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Crittenton and Plaintiff have concluded that it is in their respective best interests and the interests of the Settlement Class to settle the Lawsuit on the terms summarized in this Notice. After providing extensive information to Class Counsel, the Settlement was reached following an arm's length mediation. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Proposed Settlement was a good option to resolve the disputed claims.

The Class Representative and Class Counsel support this Settlement. Among the reasons for their support are the defenses to liability potentially available to Crittenton, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Crittenton, this Settlement will not affect your employment. California law strictly prohibits unlawful retaliation. Further, Crittenton will not take any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member's participation or decision not to participate in this Settlement. If a Class Member does not participate, his/her share will be paid to those who do participate.

III. Who are the Class Members' attorneys?

Attorneys for the Class Members:

Kane Moon, Esq.
Kane.moon@moonyanglaw.com
Allen Feghali, Esq.
Allen.feghali@moonyanglaw.com
Edwin Kamarzarian
Edwin.kamarzarian@moonyanglaw.com
Moon & Yang, APC
1055 W. Seventh St., Suite 1880
Los Angeles, CA 90017
Tel: (213) 232-3128

IV. What are the terms of the Settlement?

On [PA DATE], the Court certified a class, for settlement purposes only, of all non-exempt employees employed by Crittenton in California at any time between November 2, 2016 and _____, 2022 (the "Settlement Class"). Individuals who do not opt out of the Settlement Class, pursuant to the procedures set forth in this Notice, ("Participating Class Members") will be mailed Settlement checks and in exchange be bound by the Settlement and release of certain wage and penalty claims against Crittenton.

Without admitting any wrongdoing, Crittenton has agreed to pay \$750,000 (the "Gross Settlement Amount") to fully resolve all claims in the Lawsuit. The Parties agreed to the following payments from the Maximum Settlement Amount:

Settlement Administration Costs. The Court has approved _____ to act as the "Settlement Administrator," who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, a maximum of \$??? will be paid from the Maximum Settlement Amount to pay the Settlement Administration Costs.

Penalties to the California Labor Workforce and Development Agency. \$250,000 of the Total Maximum Settlement Amount will be allocated to Plaintiff's claim under the Private Attorneys General Act of 2004 ("PAGA"). Of this amount, \$45,000 will be paid to the LWDA in satisfaction of the claims for penalties under PAGA, and the remaining \$15,000 will be included in the Net Settlement Amount to be divided between all Class Members.

Service Payment to Class Representative. Class Counsel will ask the Court to award Class Representative a Service Payment in the amount of \$5,000 to Allesandro James Hickey to compensate her for service and extra work provided on behalf of the Class Members and in exchange for a general release of claims. The Class Representative also may receive a share of the Settlement as a Class Member.

Attorneys' Fees and Costs. Class Counsel have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Maximum Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or costs. Class Counsel will ask for fees of one-third (\$250,000) of the common fund Maximum Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through finalization of the Settlement. Class Counsel will split the fees award equally. Class Counsel also will ask for reimbursement of up to \$15,000 for the costs Class Counsel incurred in connection with the Lawsuit.

Calculation of Individual Settlement Payments to Class Members. After deducting the amounts above from the Maximum Settlement Amount, the balance will form the Net Settlement Amount for distribution to Participating Class Members (who are Class Members who do not opt-out). The Net Settlement Amount will total approximately \$_____. Compensable work weeks will be all Work Weeks that a Settlement Class Member worked in California during the Class Period. A Work Week includes any week in which a Class Member worked at least one shift/day during the week. To calculate each Individual Settlement Payment, the Settlement Administrator will divide the total Work Weeks of all Settlement Class Members into the Net Settlement Amount to determine a per "Work Week Value". The Workweek Value will be multiplied by the number of Work Weeks worked by each Settlement Class Member during the Class Period to determine the Individual Settlement Payment, prior to legal deductions, for each Settlement Class Member. If any Settlement Class Member opts-out of the Settlement, his/her Individual Settlement Payment will be distributed to all Participating Class Members (i.e., those who do not opt-out).

For each Settlement Class Member, the Weeks Worked at Crittenton during the Class Period will be calculated from Crittenton's records. Crittenton's records indicate that you worked for **[TOTAL WORK WEEKS] Work Weeks** in California during the Class Period of November 2, 2016, through _____, 2022. If you disagree with this number, you may submit evidence to the Settlement Administrator on or before _____, 2022, with documentation to establish the number of weeks you claim to have actually worked for Crittenton in California between November 2, 2016 and _____, 2022 (excluding any leaves of absence). **DOCUMENTATION SENT TO THE SETTLEMENT ADMINSTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Settlement Administrator will render a final decision.

Payments to Class Members. After the Court grants Final Approval of the Settlement and Judgment is entered, settlement checks will be mailed to all Participating Class Members who did not timely request to be excluded. Participating Class Members will have 180 days from the issuance of the last check to cash all of the checks. In the event that any Participating Class Member fails to timely cash a settlement check, a stop payment will be placed on the check and the funds will be paid to the California State Controller's Office in the name of the Participating Class Member, so that the Participating Class Member can attempt to collect the funds at a later date.

Allocation and Taxes. Twenty percent (20%) of the Individual Settlement Payment distributed to each Participating Class Member will be considered and reported as wages (Form W-2 reporting). The remaining eighty percent (80%) will be considered and reported as interest and penalties (Form 1099 reporting). The Settlement Administrator shall take all usual and customary deductions from the Individual Settlement Payments that are distributed as wages, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest and penalty distribution; however, it will be reported on IRS Form 1099 as income. Participating Class Members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, Crittenton and its counsel, and Class Counsel cannot provide tax advice and make no representations as to the tax treatment or legal effect of the Individual Settlement Payments. Participating Class Members will be solely responsible for the payment of any taxes and penalties assessed on their Individual Settlement Payments. Accordingly, Participating Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. Once the Court approves the proposed Settlement and enters Judgment, and Crittenton funds the Settlement, then the Settlement Agreement will bind all Class Members who have not opted out of the Settlement, and will bar them from bringing certain claims against Crittenton. Specifically, the Participating Class Members will fully release and discharge the Defendants and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, of all claims stated in the Complaint and those based solely upon the facts in the Complaint, including: (a) failure to pay minimum wages, (b) failure to pay overtime wages, (c) failure to provide meal periods, (d) failure to provide rest breaks, (e) failure to reimburse business expenses, (f) failure to timely pay wages each period and upon separation of employment, (g) failure to provide accurate itemized wage statements, (i) unfair and unlawful competition, and (j) all other civil and statutory penalties, including those recoverable under the Private Attorneys General Act, Labor Code § 2698 *et seq.* based on the facts or claims alleged in the Complaint. These released claims and damages are hereinafter referred to as "Released Claims." The time period governing these Released Claims shall be at any time from November 2, 2016 and _____, 2022 ("Release Period").

Waiver of Labor Code Section 206.5(e). Participating Class Members will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Lawsuit are disputed, and that the Individual Settlement Payments constitute payment of all sums allegedly due to them. Participating Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual Settlement Payments. That section provides in pertinent part as follows:

"No employer shall require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of such wages has been made."

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

V. What options do I have?

- A. **Do Nothing and Participate in the Settlement.** Under the Settlement, you will automatically receive an Individual Settlement Payment unless you exclude yourself from the settlement by following the opt-out procedure set forth below. If you disagree with the number of Weeks Worked, as described in this Notice, you may dispute the allocation of the Settlement without excluding yourself or objecting, as described above. It is the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or an Individual Settlement Payment.

If you are a current employee, your decision as to whether or not to participate in this Settlement will not be considered by Crittenton and Crittenton will not take any adverse employment action against you based on your participation in the Settlement.

- B. **Exclude Yourself from the Settlement.** If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a “Request for Exclusion from the Class Action Settlement” letter/card postmarked no later than _____, 2022 with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE HICKEY v. CRITTENTON LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator, [ADDRESS], **postmarked no later than _____, 2022.** Any person who files a timely Request for Exclusion from the Class Action Settlement, upon receipt: (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive any payments under this Settlement; and (3) will not be bound by this Settlement, or the Judgment.

- C. **Object to Settlement.** You also have the right to object to the terms of the Settlement if you believe they are unfair or unreasonable. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object, you must submit a written objection stating your full name, address, telephone number, dates of employment at Crittenton, the case name and number, the name and address of your attorney(s) if you are represented, each specific reason in support of your objection, and any legal support for each objection. You must also include any documentation or evidence in support of the objection, if any. Objections must be in writing and mailed to the Settlement Administrator, [ADDRESS], **by no later than _____, 2022.** Objections that do not include all required information, or that are not submitted timely, will not be considered. **You need not object to the Settlement if you only dispute the number of Weeks Worked.**

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for _____, 2022, at _____ a.m. in Department CX-1041 of the Orange County Superior Court, located at 751 West Santa Ana Blvd, Santa Ana, CA 92701. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before _____, 2022. All objections or other correspondence must state the name and number of the case. If you wish to appear at the Final Approval hearing, please contact Class Counsel or the Settlement Administrator in advance of the scheduled hearing to ensure that the hearing has not been continued by the Court.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Participating Class Members who do not object. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

VI. What is the effect of the settlement?

Released Rights and Claims. The Settlement is intended to settle all claims against the Released Parties that were asserted or could have been asserted in the Lawsuit regarding the alleged violations of wage and hour laws. If you were employed by Crittenton in California at any time during the Class Period and do not elect to exclude yourself from the Settlement Class, you will be deemed to have entered into this Release and to have released the above-described Released Claims. If the Settlement is not approved by the Court or does not become final for some other reason, the Lawsuit may continue and the releases will not take effect.

VII. What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement, and Class Counsel's request for attorneys' fees and reimbursement of documented litigation costs and the Service Payment to the Class Representative on _____, 2021 at _____ in Department CX-1041 of the Orange County Superior Court, located at 751 West Santa Ana Blvd, Santa Ana, CA 92701.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

VIII. How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Class Action Settlement Agreement (the Settlement Agreement) at Office of the Clerk, Orange County Superior Court, located at 751 West Santa Ana Blvd, Santa Ana, CA 92701, during regular court hours. You may also contact Class Counsel or the Settlement Administrator using the contact information listed above for more information.

IX. Reminder as to time limits.

Class Members do not have to take any further action to participate in the Settlement. The deadline for submitting a Request for Exclusion is _____, 2022. The deadline for mailing an objection to the Settlement Administrator is _____, 2022. These deadlines will be strictly enforced.

**PLEASE DO NOT CALL OR WRITE THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT**